



Chubb Commercial Excess And Umbrella Insurance

Declarations

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

POTLATCH CORPORATION
601 WEST FIRST AVENUE
SPOKANE, WA 99201

Policy Number 9364-02-12 SEA

*Issued by the stock insurance company
indicated below, herein called the company.*

FEDERAL INSURANCE COMPANY

Producer No. 0070943-99999

Incorporated under the laws of Indiana

Producer AON RISK INSURANCE SERVICES WEST, INC. (OR)
199 FREMONT ST., #1400
SAN FRANCISCO, CA 94105-0000

Policy Period

From: APRIL 01, 2009 To: APRIL 01, 2010
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Premium

\$ 120,457.00

Limits Of Insurance

Excess Coverage Other Aggregate Limit (as applicable)	\$ 10,000,000.
Umbrella Coverages Aggregate Limit	\$ 10,000,000.
Products Completed Operations Aggregate Limit	\$ 10,000,000.
Advertising Injury and Personal Injury Aggregate Limit	\$ 10,000,000.
Each Occurrence Limit	\$ 10,000,000.

Authorization

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

FEDERAL INSURANCE COMPANY

W. Andrew Mason

Secretary

Thomas F. Motamed

President

Authorized Representative

Robert Hamburger

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

Premium Bill

Policy Period APRIL 01, 2009 To APRIL 01, 2010

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY

Date Issued June 17, 2009

Producer AON RISK INSURANCE SERVICES WEST, INC. (OR)

THIS BILLING IS TO BE ATTACHED TO AND FORM A PART OF THE POLICY

PLEASE SEND PAYMENT TO AGENT OR BROKER, IF APPLICABLE

Coverage	Commission Rate	Premium
Commercial Umbrella Policy	16.5%	\$ 120,457.00

Total \$ 120,457.00

Portion of total premium attributable for Terrorism and statutory standard fire where applicable is:
\$ 1,193.00



Chubb Commercial Excess And Umbrella Insurance

Schedule Of Forms

Policy Period	APRIL 01, 2009	to APRIL 01, 2010
Effective Date	April 1, 2009	
Policy Number	9364-02-12	SEA
Insured	POTLATCH CORPORATION	
Name of Company	FEDERAL INSURANCE COMPANY	
Date Issued	June 17, 2009	

Form Number

As of the effective date printed above, this is the Schedule Of Forms applicable to this policy:

IMPORTANT NOTICE - OFAC	99-10-0792	(09/04)
AOD IMPORTANT POLICYHOLDER NOTICE	99-10-0872	(06/07)
FEDERAL INS. CO. - UMBRELLA DECLARATION	07-02-0817	(07/01)
CHUBB COMMERCIAL EXCESS & UMBRELLA INSURANCE	07-02-0815	(07/01)
WASH. CANCELLATION AND WHEN WE DO NOT RENEW	07-02-1033	(06/02)
COMPLIANCE WITH APPLICABLE TRADE SANCTIONS	07-02-1988	(02/04)
POLICY EXCL-INFORMATION DISTRIBUTION LAWS	07-02-2172	(11/04)
POLICY EXCLUSION - FAILURE TO SUPPLY	07-02-0860	(11/05)
CAP ON CERTIFIED TERRORISM LOSSES	07-02-1961	(12/07)
COVERAGE/UMB COV C POLLUTION TIME ELEMENT	07-02-2026	(06/02)
EXCL. ASBESTOS,SILICA,SIM CMPDS, MIXED DUST	07-02-2194	(04/05)
EXCLUSIONS-COV. B-CONSTRUCTION OR DEVELOPMENT	07-02-2243	(01/08)
NAMED INSURED	07-02-1477	(07/01)
MANUSCRIPT ENDORSEMENT	99-02-02	(07/01)
MANUSCRIPT ENDORSEMENT	99-02-02	(07/01)
BIOLOGICAL AGENTS EXCL.	07-02-1692	(07/01)
CLAIMS MADE - COV. A EXCESS FOLLOW-FORM	07-02-0859	(07/01)
CARE, CONTROL OR CUSTODY - COV. B	07-02-0836	(07/01)
CANCELLATION NOTICE CONDITION	07-02-1539	(07/01)
FOREIGN LIABILITY EXCL. BI/PD/AI/PI COV. B	07-02-0861	(07/01)
INTELLECTUAL PROPERTY LAWS OR RIGHTS	07-02-1146	(07/01)
LEAD EXCLUSION	07-02-1153	(07/01)
PROFESSIONAL SERVICE EXCL. COV. B	07-02-0863	(07/01)
POLLUTION EXCL. - EXCESS FOLLOW-FORM COV. A	07-02-0885	(07/01)
PREMIUM INSTALLMENTS - CONDITION	07-02-0950	(07/01)
SUPPLEMENTARY PAYMENTS	07-02-0845	(07/01)
SCHEDULE OF UNDERLYING INSURANCE	07-02-0922	(07/01)



Chubb Commercial Excess And Umbrella Insurance

Schedule Of Underlying Insurance

Effective date: APRIL 1, 2009

Policy Number: 9364-02-12 SEA

Insured: POTLATCH CORPORATION

Description

Limits

Employers Liability

Insurer: SAFETY NATIONAL CASUALTY CORPORATION

Policy No.: SP-2E37-ID

Policy Period: 04/01/2008

to: 05/01/2009

Coverage B - Employer's Liability

Bodily Injury By Accident

\$ 1,000,000. Each Accident

Bodily Injury By Disease

\$ 1,000,000. Policy Limit

\$ 1,000,000. Each Employee

Employers Liability

Insurer: OLD REPUBLIC INSURANCE COMPANY

Policy No.: MWC 115478 00

Policy Period: 04/01/2008

to: 04/16/2009

Coverage B - Employer's Liability

Bodily Injury By Accident

\$ 1,000,000. Each Accident

Bodily Injury By Disease

\$ 1,000,000. Policy Limit

\$ 1,000,000. Each Employee

Commercial General Liability

Insurer: FEDERAL INSURANCE COMPANY

Policy No.: 3584 79 07

Policy Period: 04/01/2009

to: 04/01/2010

\$ 1,000,000. Each Occurrence

\$ 2,000,000. General Aggregate

\$ 2,000,000. Products/Completed

Operations Aggregate

\$ 1,000,000. Personal and Advertising

Injury (aggregate when applicable)

Occurrence

Chubb Commercial Excess And Umbrella Insurance

Schedule Of Underlying Insurance

Effective date: APRIL 1, 2009

Policy Number: 9364-02-12 SEA

Insured: POTLATCH CORPORATION

Description

Limits

Automobile Liability

Insurer: FEDERAL INSURANCE COMPANY

Policy No.: 7355 67 24

\$ 1,000,000. Each Accident

Policy Period: 04/01/2009

or
Bodily Injury Liability

to: 04/01/2010

Each Person

Each Accident

Property Damage Liability

Each Accident

Includes all owned, non-owned and hired cars

Employee Benefits Liability

Insurer: FEDERAL INSURANCE COMPANY

Policy No.: 3584 79 07

\$ 1,000,000. Claim

Policy Period: 04/01/2009

to: 04/01/2010

\$ 1,000,000. Aggregate

Claims Made

Retroactive Date 04/01/1997

Foreign Automobile Liability

Insurer: FEDERAL INSURANCE COMPANY

Policy No.: 3584 79 07

\$ 1,000,000. Accident

Policy Period: 04/01/2009

to: 04/01/2010

Occurrence



Chubb Commercial Excess And Umbrella Insurance

Schedule Of Underlying Insurance

Effective date: APRIL 1, 2009

Policy Number: 9364-02-12 SEA

Insured: POTLATCH CORPORATION

Description

Limits

Foreign Employers Liability

Insurer: FEDERAL INSURANCE COMPANY

Policy No.: 3584 79 07

\$ 1,000,000. Accident

Policy Period: 04/01/2009

to: 04/01/2010

\$ 1,000,000. Policy Limit

Occurrence

\$ 1,000,000. Each Employee

Logger's Pd Liability

Insurer: FEDERAL INSURANCE COMPANY

Policy No.: 3584 79 07

\$ 1,000,000. Occurrence

Policy Period: 04/01/2009

to: 04/01/2010

\$ 2,000,000. Aggregate

Occurrence

Railroad Protective Liability

Insurer: STEADFAST INSURANCE COMPANY

Policy No.: SCO 5226724-08

\$ 10,000,000. Occurrence

Policy Period: 04/01/2009

to: 04/01/2010

\$ 20,000,000. Aggregate

Occurrence



Chubb Commercial Excess And Umbrella Insurance

Schedule Of Underlying Insurance

Effective date: APRIL 1, 2009

Policy Number: 9364-02-12 SEA

Insured: POTLATCH CORPORATION

Description

Limits

Stop Gap Coverage

Insurer: FEDERAL INSURANCE COMPANY

Policy No.: 3584 79 07

Policy Period: 04/01/2009

to: 04/01/2010

\$	1,000,000.	BI by accident each accident
\$	1,000,000.	BI by disease policy limit
\$	1,000,000.	BI by disease each employee

Occurrence

Authorization

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

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Chubb Commercial Excess And Umbrella Insurance

Contract

Please read the entire policy carefully. The terms and conditions of this insurance include the various sections of this contract: Coverages; Investigation, Defense And Settlements; Supplementary Payments; Coverage Territory; Who Is An Insured; Limits Of Insurance; When Excess Follow-Form Coverage A Applies (Drop Down); Exclusions; Conditions and Definitions, as well as the Declarations and any Endorsements and Schedules made a part of this insurance.

Throughout this contract the words "you" and "your" refer to the Named **Insured** shown in the Declarations and other persons or organizations qualifying as a Named **Insured** under this contract. The words "we," "us" and "our" refer to the Company providing this insurance.

In addition to the Named **Insured**, other persons or organizations may qualify as **insureds**. Those persons or organizations and the conditions under which they qualify are identified in the Who Is An Insured section of this contract.

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract.

Coverage/ Excess Follow-Form Coverage A

Subject to all of the terms and conditions applicable to Excess Follow-Form Coverage A, we will pay, on behalf of the **insured**, that part of **loss** to which this coverage applies, which exceeds the applicable **underlying limits**.

This coverage applies only if the triggering event that must happen during the policy period of the applicable **underlying insurance** happens during the policy period of this insurance.

This coverage will follow the terms and conditions of **underlying insurance** described in the Schedule Of Underlying Insurance, unless a term or condition contained in this coverage:

- differs from any term or condition contained in the applicable **underlying insurance**; or
- is not contained in the applicable **underlying insurance**.

With respect to such exceptions described above, the terms and conditions contained in this coverage will apply, to the extent that such terms and conditions provide less coverage than the terms and conditions of the applicable **underlying insurance**.

This coverage does not apply to any part of **loss** within **underlying limits**, or any related costs or expenses.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

Coverages/ Umbrella Coverage B

Bodily Injury And Property Damage Liability Coverage

Subject to all of the terms and conditions applicable to Umbrella Coverage B, we will pay, on behalf of the **insured**, **loss** by reason of liability:

- imposed by law; or
- assumed in an **insured contract**;

**Coverages/
Umbrella Coverage B**

***Bodily Injury And
Property Damage
Liability Coverage
(continued)***

for **bodily injury** or **property damage** caused by an **occurrence** to which this coverage applies.

This coverage applies only to such **bodily injury** or **property damage** that occurs during the policy period.

Damages for **bodily injury** include damages claimed by a person or organization for care or loss of services resulting at any time from the **bodily injury**.

This coverage does not apply to any part of:

- A. **loss** to which **underlying insurance** would apply, regardless of whether or not:
 - 1. **underlying insurance** is available; and
 - 2. the applicable **underlying limits** have been exhausted;
- B. **loss** to which **underlying limits** apply; or
- C. any costs or expenses related to **loss** as described in paragraphs A. or B. above.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

***Advertising Injury And
Personal Injury
Liability Coverage***

Subject to all of the terms and conditions applicable to Umbrella Coverage B, we will pay, on behalf of the **insured**, **loss** because of liability:

- imposed by law; or
- assumed in an **insured contract**;

for **advertising injury** or **personal injury** to which this coverage applies.

This coverage applies only to such **advertising injury** or **personal injury** caused by an offense that is first committed during the policy period.

This coverage does not apply to any part of:

- A. **loss** to which **underlying insurance** would apply, regardless of whether or not:
 - 1. **underlying insurance** is available; and
 - 2. the applicable **underlying limits** have been exhausted;
- B. **loss** to which **underlying limits** apply; or
- C. any costs or expenses related to **loss** as described in paragraphs A. or B. above.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.



Chubb Commercial Excess And Umbrella Insurance

Investigation, Defense And Settlements

Subject to all of the terms and conditions of this insurance, we will have the right and duty to defend the **insured**:

- under Excess Follow-Form Coverage A, against a **suit** in connection with **loss** to which such coverage applies, if the applicable **underlying limits** have been exhausted by payment of judgments, settlements or related costs or expenses (if such costs or expenses reduce such limits); or
- under Umbrella Coverage B, against a **suit** to which such coverage applies, even if such **suit** is false, fraudulent or groundless.

We have no duty to defend any person or organization against any claim or **suit**:

- to which this insurance does not apply; or
- if any other insurer has a duty to defend.

When we have the duty to defend, we may, at our discretion, investigate any occurrence or offense and settle any claim or **suit**. In all other cases, we may, at our discretion, participate in the investigation, defense and settlement of any occurrence, offense, claim or **suit**.

Our duty to defend any person or organization ends when we have used up the applicable Limit Of Insurance.

Supplementary Payments

Subject to all of the terms and conditions of this insurance, under Excess Follow-Form Coverage A or Umbrella Coverage B:

A. we will pay, with respect to a claim we investigate or settle, or a **suit** against an **insured** we defend:

1. the expenses we incur.
2. the cost of:
 - a. bail bonds; or
 - b. bonds required to:
 - (1) appeal judgments; or
 - (2) release attachments;

but only for bond amounts within the available Limit Of Insurance. We do not have to furnish these bonds.

3. reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of such claim or **suit**, including actual loss of earnings up to \$1000 a day because of time off from work.
4. costs taxed against the **insured** in the **suit**, except any:
 - a. attorney fees or litigation expenses; or
 - b. other loss, cost or expense;in connection with any injunction or other equitable relief.
5. prejudgment interest awarded against the **insured** on that part of a judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

**Supplementary
Payments**
(continued)

6. interest on the full amount of a judgment that accrues after entry of the judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.
- B. Supplementary Payments does not include any fine or other penalty.
- C. Supplementary Payments will not reduce the Limits Of Insurance.
- Our obligation to make these payments ends when we have used up the applicable Limit Of Insurance.

Coverage Territory

*Excess Follow-Form
Coverage A*

With respect to Excess Follow-Form Coverage A, this insurance applies anywhere that the applicable **underlying insurance** applies.

Umbrella Coverage B

With respect to Umbrella Coverage B, this insurance applies anywhere.

**Who Is An Insured/
Excess Follow-Form
Coverage A**

With respect to Excess Follow-Form Coverage A, the following persons and organizations qualify as **insureds**:

- the Named **Insured** shown in the Declarations; and
- other persons or organizations qualifying as an insured in **underlying insurance**, but not beyond the extent of any limitation imposed under any contract or agreement.

**Who Is An Insured/
Umbrella Coverage B**

With respect to Umbrella Coverage B, the following persons and organizations qualify as **insureds**.

Sole Proprietorships

If you are an individual, you and your spouse are **insureds**; but you and your spouse are **insureds** only with respect to the conduct of a business of which you are the sole owner.

If you die:

- persons or organizations having proper temporary custody of your property are **insureds**; but they are **insureds** only with respect to the maintenance or use of such property and only for acts until your legal representative has been appointed; and
- your legal representatives are **insureds**; but they are **insureds** only with respect to their duties as your legal representatives. Such legal representatives will assume your rights and duties under this insurance.

*Partnerships Or Joint
Ventures*

If you are a partnership (including a limited liability partnership) or a joint venture, you are an **insured**. Your members, your partners and their spouses are **insureds**; but they are **insureds** only with respect to the conduct of your business.



Chubb Commercial Excess And Umbrella Insurance

Who Is An Insured/ Umbrella Coverage B (continued)

Limited Liability Companies

If you are a limited liability company, you are an **insured**. Your members and their spouses are **insureds**; but they are **insureds** only with respect to the conduct of your business. Your managers are **insureds**; but they are **insureds** only with respect to their duties as your managers.

Other Organizations

If you are an organization (including a professional corporation) other than a partnership, joint venture or limited liability company, you are an **insured**. Your directors and **officers** are **insureds**; but they are **insureds** only with respect to their duties as your directors or **officers**. Your stockholders and their spouses are **insureds**; but they are **insureds** only with respect to their liability as your stockholders.

Employees

Your **employees** are **insureds**; but they are **insureds** only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

Volunteers

Persons who are volunteer workers for you are **insureds**; but they are **insureds** only for acts within the scope of their activities for you and at your direction.

Real Estate Managers

Persons (other than your **employees**) or organizations while acting as your real estate managers are **insureds**; but they are **insureds** only with respect to their duties as your real estate managers.

Lessors Of Equipment

Persons or organizations from whom you lease equipment are **insureds**; but they are **insureds** only with respect to the maintenance or use by you of such equipment and only if you are contractually obligated to provide them such insurance as is afforded by this contract.

However, no such person or organization is an **insured** with respect to any:

- damages arising out of their sole negligence; or
- **occurrence** that occurs, or offense that is committed, after the equipment lease ends.

Lessors Of Premises

Persons or organizations from whom you lease premises are **insureds**; but they are **insureds** only with respect to the ownership, maintenance or use of that particular part of such premises leased to you and only if you are contractually obligated to provide them with such insurance as is afforded by this contract.

However, no such person or organization is an **insured** with respect to any:

- damages arising out of their sole negligence;
- **occurrence** that occurs, or offense that is committed, after you cease to be a tenant in the premises; or
- structural alteration, new construction or demolition operations performed by or on behalf of them.

**Who Is An Insured/
Umbrella Coverage B**
(continued)

**Subsidiary Or Newly
Acquired Or Formed
Organizations**

If there is no other insurance available, the following organizations will qualify as named **insureds**:

- a subsidiary organization of the first named **insured** shown in the Declarations of which, at the beginning of the policy period and at the time of loss, such first named **insured** controls, either directly or indirectly, more than fifty (50) percent of the interests entitled to vote generally in the election of the governing body of such organization; or
- a subsidiary organization of the first named **insured** shown in the Declarations that such first named **insured** acquires or forms during the policy period, if at the time of loss such first named **insured** controls, either directly or indirectly, more than fifty (50) percent of the interests entitled to vote generally in the election of the governing body of such organization.

**Limitations On Who Is An
Insured**

With respect to Umbrella Coverage B, the following limitations apply to Who Is An Insured.

- A. Except to the extent provided under the Subsidiary Or Newly Acquired Or Formed Organizations provision, no person or organization is an **insured** with respect to the conduct of any person or organization that is not shown as a named **insured** in the Declarations.
- B. No person or organization is an **insured** with respect to the:
 - 1. ownership, maintenance or use of any assets; or
 - 2. conduct of any person or organization whose assets, business or organization; you acquire, either directly or indirectly, for any:
 - **bodily injury** or **property damage** that occurred; or
 - **advertising injury** or **personal injury** arising out of an offense first committed; in whole or in part, before you, directly or indirectly, acquired such assets, business or organization.
- C. No person or organization is an **insured** with respect to the conduct of any partnership (including any limited liability partnership), joint venture or limited liability company that is not shown as a named **insured** in the Declarations.

Limits Of Insurance

With respect to all coverages under this contract, the Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay, regardless of the number of:

- **insureds**;
- claims made or **suits** brought;
- persons or organizations making claims or bringing **suits**;
- vehicles involved; or
- coverages provided in this contract.



Chubb Commercial Excess And Umbrella Insurance

Limits Of Insurance

(continued)

The aggregate limits apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months (starting with the beginning of the policy period shown in the Declarations), provided the applicable aggregate limits in **underlying insurance** apply in such manner. If the aggregate limits in **underlying insurance** do not so apply, the applicable aggregate limits of this insurance will apply to the entire policy period and not separately to any portion (whether annual or otherwise) thereof.

If the policy period is extended after issuance, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

Excess Coverage Other Aggregate Limit

Subject to the Each Occurrence Limit, the Excess Coverage Other Aggregate Limit is the most we will pay for the sum of **loss** under Excess Follow-Form Coverage A, except **loss**:

- included in the products-completed operations hazard;
- arising out of advertising injury or personal injury; or
- otherwise covered by **underlying insurance**, but to which no aggregate limit in such **underlying insurance** applies.

The Excess Coverages Other Aggregate Limit will apply separately to **loss** in the same manner as each aggregate limit so applies in each coverage or policy described in the Schedule Of Underlying Insurance.

Umbrella Coverages Aggregate Limit

Subject to the Each Occurrence Limit, the Umbrella Coverages Aggregate Limit is the most we will pay for the sum of **loss** under Umbrella Coverages, except **loss**:

- included in the **products-completed operations hazard**; or
- arising out of **advertising injury** or **personal injury**.

Products-Completed Operations Aggregate Limit

Subject to the Each Occurrence Limit, the Products-Completed Operations Aggregate Limit is the most we will pay for the sum of **loss** included in the products-completed operations hazard, even if such **loss** is or otherwise would be covered in whole or in part under more than one coverage.

Advertising Injury And Personal Injury Aggregate Limit

The Advertising Injury And Personal Injury Aggregate Limit is the most we will pay for the sum of **loss** for advertising injury and personal injury, even if such **loss** is or otherwise would be covered in whole or in part under more than one coverage.

Each Occurrence Limit

The Each Occurrence Limit is the most we will pay for the sum of **loss** arising out of any one occurrence, even if such **loss** is or otherwise would be covered in whole or in part under more than one coverage.

Any amount paid for **loss** will reduce the amount of the applicable aggregate limit available for any other payment.

If the applicable aggregate limit has been reduced to an amount that is less than the Each Occurrence Limit, the remaining amount of such aggregate limit is the most that will be available for any other payment.

**When Excess
Follow-Form
Coverage A Applies
(Drop Down)**

Subject to all of the terms and conditions of this insurance, with respect to Excess Follow-Form Coverage A, if the applicable **underlying limits** are:

- reduced by payment of judgments, settlements or related costs or expenses (if such costs or expenses reduce such limits), Excess Follow-Form Coverage A will drop down to apply in excess of the remaining amount of the applicable **underlying limits**; or
- exhausted by payment of judgments, settlements or related costs or expenses (if such costs or expenses reduce such limits), Excess Follow-Form Coverage A will apply in the same manner as the applicable **underlying insurance** would have applied but for such exhaustion.

**Exclusions/
Excess Follow-Form
Coverage A**

With respect to Excess Follow-Form Coverage A, the following exclusions apply.

Pollution

- A. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**, other than as described in paragraph C. below.
- B. Paragraph A. above does not apply to:
1. bodily injury or property damage included in the products-completed operations hazard;
 2. bodily injury or property damage:
 - a. caused by the escape of operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts;
 - b. if sustained within a building and caused by the release of gaseous irritants or contaminants from materials brought into that building, in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - c. resulting from your other ongoing contracting operations;
 3. bodily injury if sustained within a building and caused by the escape of gaseous irritants or contaminants from equipment used to heat that building;
 4. bodily injury or property damage caused by heat, smoke or fumes from a **hostile fire**; or
 5. bodily injury or property damage resulting from the ownership, maintenance or use of an auto.
- C. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:
1. which are or were at any time transported, handled, stored, disposed of, processed or treated as waste by or for any:
 - a. **insured**; or
 - b. person or organization for whom any **insured** may be legally responsible.
 2. at or from any premises, site or location:
 - a. which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste; or



Chubb Commercial Excess And Umbrella Insurance

Exclusions/ Excess Follow-Form Coverage A

Pollution (continued)

- b. on which any **insured** or any contractor or subcontractor working directly or indirectly on any **insured**'s behalf is performing operations, if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

D. This insurance does not apply to any loss, cost or expense arising out of any:

1. request, demand, order, or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
2. claim or proceeding by or on behalf of any governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

Paragraph D. above does not apply to the liability for damages, for property damage, that the **insured** would have in the absence of such request, demand, order or regulatory or statutory requirement, or such claim or proceeding by or on behalf of a governmental authority.

This exclusion applies regardless of whether or not the pollution was accidental, expected, gradual, intended, preventable or sudden.

Obligations Of Underlying Insurance

This insurance does not apply to any liability or loss, cost or expense for which the liability or obligation under **underlying insurance** is by law unlimited.

Underlying Insurance Exclusions

Notwithstanding anything to the contrary set forth in any other provision of this contract, this insurance does not apply to any liability or loss, cost or expense to which the terms and conditions of **underlying insurance** do not apply.

Exclusions/ Umbrella Coverage B Bodily Injury/ Property Damage

With respect to Umbrella Coverage B, Bodily Injury And Property Damage Liability Coverage, the following exclusions apply.

Aircraft: Owned Or Rented Without Crew

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use (use includes operation and **loading or unloading**) or entrustment to others of any aircraft owned or operated by or loaned or rented to any **insured**.

This exclusion does not apply to an aircraft that is:

- loaned or rented to you with a paid, trained crew; and
- not owned, in whole or in part, by any **insured**.

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage**
(continued)

*Autos: U.S.A., Canada Or
Puerto Rico*

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use (use includes operation and **loading or unloading**) or entrustment to others of any **auto** owned or operated by or loaned or rented to any **insured**.

This exclusion does not apply to **bodily injury** or **property damage** caused by an **occurrence** that takes place outside of the United States of America (including its possessions or territories), Canada and Puerto Rico.

*Damage To Impaired
Property Or Property Not
Physically Injured*

This insurance does not apply to **property damage** to:

- **impaired property**; or
- property that has not been physically injured;

arising out of any:

- defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or
- delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms and conditions.

This exclusion does not apply to the loss of use of other tangible property resulting from sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

*Damage To Insureds
Property*

This insurance does not apply to **property damage** to any property:

- owned by you; or
- of any **insured**, that is in the care, control or custody of any other **insured**.

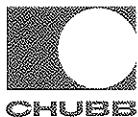
Damage To Your Product

This insurance does not apply to **property damage** to **your product** arising out of it or any part of it.

*Damage To Your Work Or
Related Property*

This insurance does not apply to **property damage** to:

- **your work** arising out of it or any part of it;
 - that particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the **property damage** arises out of those operations; or
 - that particular part of any property that must be restored, repaired or replaced because your **work** was incorrectly performed on it.
-



Chubb Commercial Excess And Umbrella Insurance

Exclusions/ Umbrella Coverage B Bodily Injury/ Property Damage (continued)

Expected Or Intended Injury

This insurance does not apply to **bodily injury** or **property damage** arising out of an act that:

- is intended by the **insured**; or
- would be expected from the standpoint of a reasonable person in the circumstances of the **insured**;

to cause **bodily injury** or **property damage**, even if the actual **bodily injury** or **property damage** is of a different degree or type than intended or expected.

This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or tangible property.

Loss In Progress

This insurance does not apply to **bodily injury** or **property damage** that is a change, continuation or resumption of any **bodily injury** or **property damage** known by you, prior to the beginning of the policy period, to have occurred.

Bodily injury or **property damage** will be deemed to be known by you:

- A. if such injury or damage is known by, or should have been known from the standpoint of a reasonable person in the circumstances of:
 - 1. you;
 - 2. any of your directors, managers, members, **officers** (or their designees) or partners (whether or not an **employee**); and
- B. when any person described in paragraph A. above:
 - 1. reports all, or any part, of any such injury or damage to us or any other insurer;
 - 2. receives a claim or a demand for damages because of any such injury or damage; or
 - 3. becomes aware that any such injury or damage has occurred or has begun to occur.

Watercraft: Owned

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use (use includes operation and **loading or unloading**) or entrustment to others of any watercraft owned or operated by or loaned or rented to any **insured**.

This exclusion does not apply to a watercraft:

- while ashore on premises owned by or rented to you; or
- that is not owned, in whole or in part, by any **insured**.

**Exclusions/
Umbrella Coverage B
Advertising Injury/
Personal Injury**

With respect to Umbrella Coverage B, Advertising Injury And Personal Injury Liability Coverage, the following exclusions apply.

Breach Of Contract

This insurance does not apply to **advertising injury** or **personal injury** arising out of breach of contract.

Continuing Offenses

This insurance does not apply to **advertising injury** or **personal injury** that arises out of that part of an offense that continues or resumes after the later of the end of the policy period of:

- A. this insurance; or
- B. a subsequent, continuous renewal or replacement of this insurance, that:
 - 1. is issued to you by us or by an affiliate of ours;
 - 2. remains in force while the offense continues; and
 - 3. would otherwise apply to **advertising injury** and **personal injury**.

Crime Or Fraud

This insurance does not apply to **advertising injury** or **personal injury** arising out of any criminal or fraudulent conduct committed by or with the consent or knowledge of the **insured**.

**Expected Or Intended
Injury**

This insurance does not apply to **advertising injury** or **personal injury** arising out of an offense, committed by or behalf of the **insured**, that:

- is intended by such **insured**; or
- would be expected from the standpoint of a reasonable person in the circumstances of such **insured**;
to cause injury.

**Failure To Conform To
Representations Or
Warranties**

This insurance does not apply to **advertising injury** or **personal injury** arising out of the failure of goods, products or services to conform with any electronic, oral, written or other representation or warranty of durability, fitness, performance, quality or use.

Internet Activities

This insurance does not apply to **advertising injury** or **personal injury** arising out of:

- controlling, creating, designing or developing of another's Internet site;
- controlling, creating, designing, developing, determining or providing the content or material of another's Internet site;
- controlling, facilitating or providing, or failing to control, facilitate or provide, access to the Internet or another's Internet site; or
- publication of content or material on or from the Internet, other than material developed by you or at your direction.

Prior Offenses

This insurance does not apply to **advertising injury** or **personal injury** arising out of any offense first committed before the beginning of the policy period.



Chubb Commercial Excess And Umbrella Insurance

Exclusions/ Umbrella Coverage B Advertising Injury/ Personal Injury

(continued)

Publications With Knowledge Of Falsity

This insurance does not apply to **advertising injury** or **personal injury** arising out of any electronic, oral, written or other publication of material by or with the consent of the **insured**:

- with knowledge of its falsity; or
- if a reasonable person in the circumstances of such **insured** would have known such material to be false.

Wrong Description Of Prices

This insurance does not apply to **advertising injury** or **personal injury** arising out of the wrong description of the price of goods, products or services.

Exclusions/ Umbrella Coverage B Bodily Injury/ Property Damage/ Advertising Injury/ Personal Injury

With respect to Umbrella Coverage B, Bodily Injury And Property Damage Liability Coverage and Advertising Injury And Personal Injury Liability Coverage, the following exclusions apply.

Employee Or Worker Injury

A. This insurance does not apply to **bodily injury, property damage, advertising injury** or **personal injury** sustained by an **employee** or **temporary worker** of the **insured** arising out of and in the course of:

1. employment by the **insured**; or
2. performing duties related to the conduct of the **insured**'s business.

B. This insurance does not apply to **bodily injury, property damage, personal injury** or **advertising injury** sustained by the brother, child, parent, sister or spouse of such injured person, as a consequence of any injury or damage described in paragraph A. above.

This exclusion applies:

- whether the **insured** may be liable as an employer or in any other capacity; and
- to any obligation to share damages with or repay someone else who must pay damages because of any injury or damage described in paragraphs A. or B. above.

Enhancement, Maintenance Or Prevention Expenses

This insurance does not apply to any loss, cost or expense incurred by you or others for any:

- A. enhancement or maintenance of any property; or
- B. prevention of any injury or damage to any:
 1. person or organization; or
 2. property you own, rent or occupy.

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury**
(continued)

**Intellectual Property Laws
Or Rights**

This insurance does not apply to any actual or alleged **bodily injury, property damage, advertising injury or personal injury** arising out of, giving rise to or in any way related to any actual or alleged:

- assertion; or
- infringement or violation;

by any person or organization (including any **insured**) of any **intellectual property law or right**, regardless of whether this insurance would otherwise apply to all or part of any such actual or alleged injury or damage in the absence of any such actual or alleged assertion, infringement or violation.

This exclusion applies, unless such injury:

- is caused by an offense described in the definition of **advertising injury**; and
- does not arise out of, give rise to or in any way relate to any actual or alleged assertion, infringement or violation of any **intellectual property law or right**, other than one described in the definition of **advertising injury**.

Pollution

- A. This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**.
- B. This insurance does not apply to any loss, cost or expense arising out of any:
1. request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
 2. claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

This exclusion applies regardless of whether or not the pollution was accidental, expected, gradual, intended, preventable or sudden.

**Recall Of Products, Work
Or Impaired Property**

This insurance does not apply to damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- **your product;**
- **your work;** or
- **impaired property;**



Chubb Commercial Excess And Umbrella Insurance

Exclusions/ Umbrella Coverage B Bodily Injury/ Property Damage/ Advertising Injury/ Personal Injury

Recall Of Products, Work Or Impaired Property (continued)

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

Policy Exclusions

With respect to all coverages under this contract, the following exclusions apply.

Asbestos

- A. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of **asbestos**.
- B. This insurance does not apply to any loss, cost or expense arising out of any:
1. request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **asbestos**; or
 2. claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **asbestos**.

Coverages/ Laws, Various

This insurance does not apply to any liability or loss, cost or expense or obligation of any **insured** under any:

- medical expenses or payments coverage;
- no-fault law;
- personal injury protection coverage;
- underinsured or uninsured financial responsibility law;
- workers' compensation, disability benefits or unemployment compensation law; or
- similar coverage or law.

Employee Retirement Income Security Laws

This insurance does not apply to any liability or loss, cost or expense or obligation of any **insured** under the United States of America Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974 or any similar law, as now constituted or hereafter amended.

Employment-Related Practices

- A. This insurance does not apply to any liability or loss, cost or expense in connection with any damages sustained at any time by any person, whether or not sustained in the course of employment by any **insured**, arising out of any employment-related act, omission, policy, practice or representation directed at such person, occurring in whole or in part at any time, including any:
1. arrest, detention or imprisonment;

Policy Exclusions

Employment-Related Practices (continued)

2. breach of any express or implied covenant;
 3. coercion, criticism, humiliation, prosecution or retaliation;
 4. defamation or disparagement;
 5. demotion, discipline, evaluation or reassignment;
 6. discrimination, harassment or segregation;
 7.
 - a. eviction; or
 - b. invasion or other violation of any right of occupancy;
 8. failure or refusal to advance, compensate, employ or promote;
 9. invasion or other violation of any right of privacy or publicity;
 10. termination of employment; or
 11. other employment-related act, omission, policy, practice, representation or relationship in connection with any **insured** at any time.
- B. This insurance does not apply to any liability or loss, cost or expense in connection with any damages sustained at any time by the brother, child, parent, sister or spouse of such person at whom any employment-related act, omission, policy, practice or representation is directed, as described in paragraph A. above, as a consequence thereof.

This exclusion applies:

- whether the **insured** may be liable as an employer or in any other capacity; and
- to any obligation to share damages with or repay someone else who must pay damages because of any of the foregoing.

Nuclear Energy

- A. This insurance does not apply to any liability or loss, cost or expense:
1. with respect to which any **insured** under this policy also has status as an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would have had status as an insured under any such policy but for its termination upon exhaustion of its limit of insurance; or
 2. arising out of the **nuclear hazardous properties** of **nuclear material** and with respect to which:
 - a. any person or organization is required to maintain financial protection pursuant to the United States of America Atomic Energy Act of 1954, or any law amendatory thereof; or
 - b. the **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- B. This insurance does not apply to any liability or loss, cost or expense arising out of the **nuclear hazardous properties** of **nuclear material**:
1. if the **nuclear material**:
 - a. is at any **nuclear facility** owned by, or operated by or on behalf of, any **insured**;



Chubb Commercial Excess And Umbrella Insurance

Policy Exclusions

Nuclear Energy (continued)

- b. has been discharged or dispersed therefrom; or is contained in **nuclear spent fuel or nuclear waste** at any time transported, handled, stored, disposed of, processed, treated, possessed or used by or on behalf of any **insured**; or
2. in any way related to the furnishing by any **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**. But if such facility is located within the United States of America (including its possessions or territories) or Canada, this subparagraph 2. applies only to **nuclear property damage** to such **nuclear facility** and any property thereat.

Conditions

With respect to all coverages under this contract, the following conditions apply.

Appeals

We may, at our discretion, initiate or participate in an appeal of a judgment, if such judgment may result in a payment under this insurance.

If we initiate or participate in an appeal, we will pay our costs of the appeal. But in no case will the amount we pay for **loss** exceed the Limits Of Insurance.

Audit Of Books And Records

We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

Bankruptcy

Bankruptcy or insolvency of the **insured** or of the **insured's** estate will not relieve us of our obligations under this insurance.

Cancellation

The first named **insured** may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

We may cancel this policy or any of its individual coverages at any time by sending to the first named **insured** a notice sixty (60) days, twenty (20) days in the event of non-payment of premium, in advance of the cancellation date. Our notice of cancellation will be mailed to the first named **insured's** last known address and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.

Changes

This policy can only be changed by a written endorsement that becomes part of this policy. The endorsement must be signed by one of our authorized representatives.

Compliance By Insureds

We have no duty to provide coverage under this policy unless you and any other involved **insured** have fully complied with all of the terms and conditions of the policy.

Conditions

(continued)

Conformance

Any terms of this insurance which are in conflict with the applicable statutes of the State in which this policy is issued are amended to conform to such statutes.

Disclosures And Representations

We have issued this insurance:

- Based upon representations you made to us; and
- in reliance upon your representatives.

Unintentional failure of an employee of the **insured** to disclose a hazard or other material information will not violate this condition, unless an officer (whether or not an employee) of any **insured** or an officer's designee knows about such hazard or other material information.

Duties In The Event Of Occurrence, Offense, Claim Or Suit

A. You must see to it that we and any insurers of **underlying insurance** are notified as soon as practicable of any occurrence or offense that may result in a claim, if the claim may involve us or other insurers. To the extent possible, notice should include:

1. how, when and where the occurrence or offense happened;
2. the names and addresses of any injured persons and witnesses; and
3. the nature and location of any injury or damage arising out of the occurrence or offense.

Notice of an occurrence or offense is not notice of a claim.

B. If a claim is made or **suit** is brought against any **insured**, you must:

1. immediately record the specifics of the claim or **suit** and the date received;
2. notify us and any other insurers as soon as practicable; and
3. see to it that we receive written notice of the claim or **suit** as soon as practicable.

C. You and any other involved **insured** must:

1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
2. authorize us to obtain records and other information;
3. cooperate with us and any other insurers in the:
 - a. investigation or settlement of the claim; or
 - b. defense against the **suit**; and
4. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of loss to which this insurance may also apply.

D. No **insureds** will, except at that **insured's** own cost, make any payment, assume any obligation or incur any expense without our consent.

E. Notice given by or on behalf of:

1. the **insured**;



Chubb Commercial Excess And Umbrella Insurance

Conditions

Duties In The Event Of Occurrence, Offense, Claim Or Suit (continued)

2. the injured person; or
 3. any other claimant;
- to a licensed agent of ours with particulars sufficient to identify the **insured** shall be deemed notice to us.
- F. Knowledge of an occurrence or offense by an agent or employee of the **insured** will not constitute knowledge by the **insured**, unless an officer (whether or not an employee) of any **insured** or an officer's designee knows about such occurrence or offense.
- G. Failure of an agent or employee of the **insured**, other than an officer (whether or not an employee) of any **insured** or an officer's designee, to notify us of an occurrence or offense which such person knows about will not affect the insurance afforded to you.
- H. If a claim or loss does not reasonably appear to involve either this insurance or any **underlying insurance**, but it later develops into a claim or loss to which this insurance applies, the failure to report it to us will not violate this condition, provided the **insured** gives us immediate notice as soon as the **insured** is aware that this insurance may apply to such claim or loss.

First Named Insured

The person or organization first named in the Declarations is primarily responsible for payment of all premiums. The first named **insured** will act on behalf of all other named **insureds** for the giving and receiving of notice of cancellation or nonrenewal and the receiving of any return premiums that become payable under this policy.

Inspections And Surveys

We may:

- make inspections and surveys at any time;
- give you reports on the conditions we find; and
- recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization, which makes insurance inspections, surveys, reports or recommendations for us.

Joint Duties In Non- Admitted Jurisdictions

With respect to an occurrence, offense, claim or **suit**, to which this insurance applies, that arises in a **non-admitted jurisdiction**:

- A. we have no duty to defend any person or organization against any claim or **suit**; but we may, at our discretion, assume control of or participate in any investigation, defense, settlement or recovery proceedings.
- B. you and any other **insured** must:

Conditions

Joint Duties In Non-Admitted Jurisdictions (continued)

1. make such investigation, defense or settlement as we deem reasonable;
 2. obtain our approval for any payment; and
 3. effect approved payments to others, in accordance with the terms and conditions of this insurance.
- C. we will reimburse funds to the **insured** for payments approved by us for:
1. **loss**; and
 2. expenses and other payments;
- to which this insurance applies.
- D. we will make those reimbursements:
1. in a jurisdiction that is mutually acceptable; and
 2. until we have used up the applicable Limits Of Insurance.

Legal Action Against Us

No person or organization has a right under this insurance to:

- join us as a party or otherwise bring us into a **suit** seeking damages from an **insured**; or
- sue us on this insurance unless all of the terms and conditions of this insurance have been fully complied with.

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after an actual:

- trial in a civil proceeding; or
- arbitration or other alternative dispute resolution proceeding;

but we will not be liable for damages that are not payable under the terms and conditions of this insurance or that are in excess of the applicable Limits Of Insurance.

Maintenance Of Underlying Insurance And Underlying Limits

We have issued this insurance in reliance upon representations made by you about **underlying insurance** and **underlying limits**. You must see to it that:

- **underlying insurance** is and remains valid and in full force and effect.
- **underlying insurance** will not be cancelled, non-renewed or rescinded without replacement by coverage to which we agree.
- the terms and conditions of **underlying insurance** will not materially change, unless we agree otherwise.
- the terms and conditions of renewals or replacements of **underlying insurance**, shown in the Schedule Of Underlying Insurance, will be materially the same as the prior coverage, unless we agree otherwise.
- the **underlying limits** are and remain available, regardless of any bankruptcy, insolvency or other financial impairment of any insurer or any other person or organization.
- the **underlying limits**, shown in the Schedule Of Underlying Insurance, will not be reduced or exhausted, except for the reduction or exhaustion by payment of judgments, settlements or related costs or expenses (if such costs or expenses reduce such limits).



Chubb Commercial Excess And Umbrella Insurance

Conditions

Maintenance Of Underlying Insurance And Underlying Limits (continued)

Failure to comply with this condition will not invalidate this insurance. But in the case of any such failure, our obligation or liability will not exceed that which would have applied absent any failure to comply with this condition.

You must notify us as soon as practicable if any **underlying insurance** is no longer valid or in full force or effect.

Other Insurance

If other valid and collectable insurance is available to the **insured** for loss we would otherwise cover under this insurance, our obligations are limited as follows.

This insurance is excess over any **other insurance**, whether primary, excess, contingent or on any other basis.

We will have no duty to defend the **insured** against any **suit** if any provider of any other insurance has a duty to defend such **insured** against such **suit**.

We will pay only our share of the amount of **loss**, if any, that exceeds the sum of the total:

- amount that all **other insurance** would pay for loss in the absence of this insurance; and
- of all deductible and self-insured amounts under all **other insurance**.

This insurance is not subject to the terms or conditions of any **other insurance**.

Separation Of Insureds

Except with respect to the Limits Of Insurance, and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom claim is made or **suit** is brought.

Titles Of Paragraphs

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

Transfer Of Rights And Duties

Your rights and duties under this insurance may not be transferred without our written consent. However, if you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative, or to anyone having temporary custody of your property until your legal representative has been appointed.

Transfer Or Waiver Of Rights Of Recovery Against Others

We will waive the right of recovery we would otherwise have had against another person or organization for loss to which this insurance applies, provided the **insured** has waived their rights of recovery against such person or organization in a contract or agreement that is executed before loss.

To the extent that the **insured's** rights to recover all or part of any payment made under this insurance have not been waived, those rights are transferred to us. The **insured** must do nothing after loss to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

Conditions

Transfer Or Waiver Of Rights Of Recovery Against Others (continued)

Any amount recovered will be apportioned as follows:

- first, we shall receive all amounts recovered until we have been fully reimbursed for all amounts we have incurred, including costs or expenses of such recovery proceedings.
- Then, you are entitled to claim for any further amount recovered.

When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the first named **insured** stated in the Declarations written notice of the nonrenewal not less than sixty (60) days before the expiration date. If notice of nonrenewal is mailed, proof of mailing will be sufficient proof of notice.



Chubb Commercial Excess And Umbrella Insurance

Definitions/ Umbrella Coverage B

Advertisement

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Advertisement means an electronic, oral, written or other notice, about goods, products or services, designed for the specific purpose of attracting the general public or a specific market segment to use such goods, products or services.

Advertisement does not include any e-mail address, Internet domain name or other electronic address or metalanguage.

Advertising Injury

Advertising injury means injury, other than **bodily injury**, **property damage** or **personal injury**, sustained by a person or organization and caused by an offense of infringing, in that particular part of your **advertisement** about your goods, products or services, upon their:

- copyrighted **advertisement**; or
- registered collective mark, registered service mark or other registered trademarked name, slogan, symbol or title.

Auto

Auto means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But **auto** does not include mobile equipment.

Bodily Injury

Bodily injury means physical:

- injury;
- sickness; or
- disease;

sustained by a person, including resulting death, humiliation, mental anguish, mental injury or shock at any time. All such loss shall be deemed to occur at the time of the physical injury, sickness or disease that caused it.

Employee

Employee includes a **leased worker**. **Employee** does not include a **temporary worker**.

Impaired Property

Impaired property means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:

- it incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
- you have failed to fulfill the terms or conditions of a contract or agreement;

if such property can be restored to use by:

- the repair, replacement, adjustment or removal of **your product** or **your work**; or
- your fulfilling the terms or conditions of the contract or agreement.

**Definitions/
Umbrella Coverage B**
(continued)

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Insured Contract

Insured contract means an oral or written contract or agreement pertaining to your business, in which you assume the tort liability of another person or organization to pay damages, to which this insurance applies, sustained by a third person or organization, provided the injury or damage occurs, or is caused by an offense that is first committed, after the execution of such contract or agreement.

**Intellectual Property Law
Or Right**

Intellectual property law or right means any:

- certification mark, copyright, patent or trademark (including collective or service marks);
- right to, or judicial or statutory law recognizing an interest in, any trade secret or confidential or proprietary non-personal information;
- other right to, or judicial or statutory law recognizing an interest in, any expression, idea, likeness, name, slogan, style of doing business, symbol, title, trade dress or other intellectual property; or
- other judicial or statutory law concerning piracy, unfair competition or other similar practices.

Leased Worker

Leased worker means a person leased to a party by a labor leasing firm, in a contract or agreement between such party and the labor leasing firm, to perform duties related to the conduct of the party's business. **Leased worker** does not include a **temporary worker**.

Loading Or Unloading

Loading or unloading:

- A. means the handling of property:
 - 1. after it is moved from the place where it is accepted for movement into or onto an aircraft, **auto** or watercraft;
 - 2. while it is in or on an aircraft, **auto** or watercraft; or
 - 3. while it is being moved from an aircraft, **auto** or watercraft to the place where it is finally delivered.
- B. does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, **auto** or watercraft.

Occurrence

Occurrence means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

Officer

Officer means a person holding any of the officer positions created by an organization's charter, constitution, by-laws or any other similar governing document.



Chubb Commercial Excess And Umbrella Insurance

Definitions/ Umbrella Coverage B (continued)

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Personal Injury

Personal injury means injury, other than **bodily injury**, **property damage** or **advertising injury**, caused by an offense of:

- A. false arrest, false detention or other false imprisonment;
- B. malicious prosecution;
- C. wrongful entry into, wrongful eviction of a person from or other violation of a person's right of private occupancy of a dwelling, premises or room that such person occupies, if committed by or on behalf of its landlord, lessor or owner;
- D. electronic, oral, written or other publication of material that:
 1. libels or slanders a person or organization (which does not include disparagement of goods, products, property or services); or
 2. violates a person's right of privacy;
- E. discrimination, harassment or segregation based on a person's protected human characteristics as established by law.

Products-Completed Operations Hazard

Products-completed operations hazard:

- A. includes all **bodily injury** and **property damage** taking place away from premises owned or occupied by or loaned or rented to you and arising out of **your product** or **your work**, except:
 1. products that are still in your physical possession; or
 2. work that has not yet been completed or abandoned.

Your work will be deemed completed when:

- all of the work called for in your contract or agreement has been completed.
- all of the work to be performed at the site has been completed, if your contract or agreement calls for work at more than one site.
- that part of the work completed at a site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- B. does not include **bodily injury** or **property damage** arising out of:
 1. the transportation of property, unless the injury or damage results from a condition in or on a vehicle not owned or operated by or loaned or rented to you and that condition was created by the **loading or unloading** of that vehicle by any **insured**;
 2. the existence of tools, uninstalled equipment or abandoned or unused materials; or

**Definitions/
Umbrella Coverage B**

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

*Products-Completed
Operations Hazard
(continued)*

3. products or operations for which the classification in our rules indicates that such products or operations are not subject to the Products-Completed Operations Aggregate Limits Of Insurance.

Property Damage

Property damage means:

- physical injury to tangible property, including resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it.

Tangible property does not include any software, data or other information that is in electronic form.

Temporary Worker

Temporary worker means a person who is furnished to a party to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.

Your Product

Your product:

- A. means any:
1. goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a. you;
 - b. others trading under your name; or
 - c. a person or organization whose assets or business you have acquired; and
 2. containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- B. includes:
1. representations or warranties made at any time with respect to the durability, fitness, performance, quality or use of **your product**; and
 2. the providing of or failure to provide instructions or warnings.
- C. does not include vending machines or other property loaned or rented to or located for the use of others but not sold.

Your Work

Your work:

- A. means any:
1. work or operations performed by:
 - a. you or on your behalf; or
 - b. a person or organization whose assets or business you have acquired; and



Chubb Commercial Excess And Umbrella Insurance

Definitions/ Umbrella Coverage B

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Your Work
(continued)

2. materials, parts or equipment furnished in connection with such work or operations.
- B. includes:
1. representations or warranties made at any time with respect to the durability, fitness, performance, quality or use of **your work**; and
 2. the providing of or failure to provide instructions or warnings.

Policy Definitions

WITH RESPECT TO ALL COVERAGES UNDER THIS CONTRACT, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

Asbestos

Asbestos means asbestos in any form, including its presence or use in any alloy, by-product or other material or waste. Waste includes material to be recycled, reconditioned or reclaimed.

Hostile Fire

Hostile fire means one, which becomes uncontrollable or breaks out from where it was intended to be.

Insured

Insured means a person or an organization qualifying as an **insured** in the Who Is An Insured sections of this contract.

Loss

Loss:

- means damages that the **insured** becomes legally obligated to pay because of injury or damage.
- does not include sums properly deducted for recoveries or salvage.

Non-Admitted Jurisdiction

Non-admitted jurisdiction means any jurisdiction where we are:

- not licensed or permitted by law to issue insurance; or
- prevented by law or otherwise from investigating, defending or settling an occurrence, offense, claim or **suit**.

Policy Definitions

(continued)

WITH RESPECT TO ALL COVERAGES UNDER THIS CONTRACT, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Nuclear Facility

Nuclear facility means any:

- A. **nuclear reactor**;
- B. equipment or device designed or used for:
 - 1. separating the isotopes of plutonium or uranium;
 - 2. processing or utilizing **nuclear spent fuel**; or
 - 3. handling, processing or packaging **nuclear waste**;
- C. equipment or device used for the processing, fabricating or alloying of **nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than:
 - 1. twenty-five (25) grams of plutonium or uranium 233, or any combination thereof; or
 - 2. two-hundred-fifty (250) grams of uranium 235; or
- D. structure, basin, excavation, premises or place prepared or used for the storage or disposal of **nuclear waste**;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

Nuclear Hazardous Properties

Nuclear hazardous properties include radioactive, toxic or explosive properties.

Nuclear Material

Nuclear material means **by-product material**, **source material** or **special nuclear material**.

By-product material, **source material** and **special nuclear material** have the meanings given them in the United States of America Atomic Energy Act of 1954 or in any law amendatory thereof.

Nuclear Property Damage

Nuclear property damage includes all forms of radioactive contamination of property.

Nuclear Reactor

Nuclear reactor means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

Nuclear Spent Fuel

Nuclear spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.



Chubb Commercial Excess And Umbrella Insurance

Policy Definitions

(continued)

WITH RESPECT TO ALL COVERAGES UNDER THIS CONTRACT, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Nuclear Waste

Nuclear waste means any waste material:

- containing **nuclear material**, other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and
- resulting from the operation by any person or organization of any **nuclear facility** described in subparagraphs A. or B. of the definition of **nuclear facility**.

Other Insurance

Other insurance means any insurance affording coverage that this insurance would also afford. **Other insurance** includes any type of self-insurance or other mechanism arranged for funding of loss.

Other insurance does not include **underlying insurance** or insurance negotiated specifically to apply in excess of this insurance.

Pollutants

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Suit

Suit means a civil proceeding in which damages, to which this insurance applies, are sought. **Suit** includes an arbitration or other dispute resolution proceeding in which such damages are sought and to which the **insured** must submit or does submit with our consent.

Underlying Insurance

Underlying insurance means the coverages for the hazards described in the Schedule Of Underlying Insurance and the next renewal or replacement insurance thereof.

Underlying Limits

Underlying limits means the sum of amounts:

- A. shown for the hazards described in the Schedule Of Underlying Insurance, consisting of amounts:
 1. available under applicable **underlying insurance**; and
 2. any **insured** must pay because **underlying insurance**, as represented by you, is not available, regardless of the reason;
- B. available under any applicable antecedent, renewal or replacement of **underlying insurance**;
- C. of any allocation, deductible, participation, retention or other self-insurance applicable to the insurance described in paragraphs A. and B. above; and
- D. any reinstatement of limits or supplemental or other limits available under the insurance described in paragraphs A. and B. above.

Policy Definitions

WITH RESPECT TO ALL COVERAGES UNDER THIS CONTRACT, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Underlying Limits
(continued)

If amounts available under the applicable **underlying insurance**, described in the Schedule Of Underlying Insurance, are greater or less than the amount, shown in such Schedule, then the greater of such amounts shall apply in the computation of **underlying limits**.



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010
Effective Date April 1, 2009
Policy Number 9364-02-12 SEA
Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY

Date Issued June 17, 2009

Under Conditions, the conditions titled Cancellation And When We Do Not Renew, are deleted and replaced by the following:

Conditions Washington Mandatory

Cancellation

1. The first named **insured** shown in the Declarations may cancel this policy by mailing or delivering to us advance written note of cancellation.
2. We may cancel this policy by mailing or delivering to the first named **insured** and the first named **insured**'s agent or broker written notice of cancellation, including the actual reason for the cancellation, to the last mailing address known to us, at least:
 - a. 20 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if we cancel for any other reason.
3. We may cancel the Property Coverage Section, if made a part of this policy, by mailing or delivering to the first named **insured** and the first named **insured**'s agent or broker written notice of cancellation at least 5 days before the effective date of cancellation for any structure where 2 or more of the following conditions exists:
 - a. without reasonable explanation, the structure is unoccupied for more than 60 consecutive days, or at least 65% of the rental units are unoccupied for more than 120 consecutive days unless the structure is maintained for seasonal occupancy or is under construction or repair; or
 - b. without reasonable explanation progress toward completion or permanent repair to the structure has not occurred within 60 days after receipt of funds following satisfactory adjustment or adjudication of loss resulting from a fire; or
 - c. because of its physical condition, the structure is in danger of collapse; or
 - d. because of its physical condition, an evacuation or demolition order has been issued for the structure, or it has been declared unsafe in accordance with applicable law; or

**Conditions
Washington
Mandatory**

**Cancellation
(continued)**

- e. fixed and salvageable items have been removed from the structure, indicating an intent to vacate the structure; or
 - f. without reasonable explanation, heat, water, sewer and electricity are not furnished for the structure for 60 consecutive days; or
 - g. the structure is not maintained in substantial compliance with fire, safety and building codes.
4. We will also mail or deliver to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of cancellation prior to the effective date of cancellation. If cancellation is for reasons other than those contained in paragraph 3. above, this notice will be the same as that mailed or delivered to the first named **insured**. If cancellation is for a reason contained in paragraph 3. above, we will mail or deliver this notice at least 20 days prior to the effective date of cancellation.
5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
6. If this policy is cancelled, we will send the first named **insured** any premium refund due. If we cancel, the refund will be pro rata. If the first named **insured** cancels, the refund will be at least 90% of the pro rata refund.
- The cancellation will be effective even if we have not made or offered a refund.
7. If notice is mailed, proof of mailing will be sufficient proof of notice.

When We Do Not Renew

Non Renewal

1. We may elect not to renew this policy by mailing or delivering written notice of non-renewal, stating the reasons for non-renewal, to the first named **insured** and the first named **insured**'s agent or broker, at their last mailing addresses, known to us. We will also mail to any mortgage holder, pledge or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of non-renewal. We will mail or deliver these notices at least 45 days before the:
- a. the expiration of the policy; or
 - b. the anniversary date of this policy if this policy has been written for a term of more than one year.
- Otherwise, we will renew this policy unless:
- a. the first named **insured** fails to pay the renewal premium after we have expressed our willingness to renew, including a statement of the renewal premium, to the first named **insured** and the first named **insured**'s insurance agent or broker at least 20 days before the expiration date; or



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Conditions Washington Mandatory

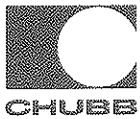
Cancellation
(continued)

- b. other coverage acceptable to the insured has been procured to the expiration date of the policy.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 *To* APRIL 01, 2010
Effective Date April 1, 2009
Policy Number 9364-02-12 SEA
Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY
Date Issued June 17, 2009

Under Conditions, the following condition is added to the policy:

Conditions

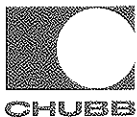
Compliance With Applicable Trade Sanctions

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY

Date Issued June 17, 2009

The following exclusion is added under Policy Exclusions and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverage(s) under this contract.

Policy Exclusions

Information Distribution Laws

With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any actual or alleged violation of:

- the United States of America CAN-SPAM Act of 2003 or any law amendatory thereof;
- the United States of America Telephone Consumer Protection Act (TCPA) of 1991 or any law amendatory thereof; or
- any other ordinance, regulation or statute relating to communicating, distribution, publication, sending or transmitting of content, information or material.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010
Effective Date April 1, 2009
Policy Number 9364-02-12 SEA
Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY
Date Issued June 17, 2009

Under Policy Exclusions, the following exclusion is added.

Policy Exclusions

Failure To Supply

This insurance does not apply to any liability or loss, cost or expense arising out of the complete or partial failure to supply oil, electricity, gas, steam, water or any other form of energy.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



<i>Policy Period</i>	APRIL 01, 2009	To	APRIL 01, 2010
<i>Effective Date</i>	April 1, 2009		
<i>Policy Number</i>	9364-02-12 SEA		
<i>Insured</i>	POTLATCH CORPORATION		
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY		
<i>Date Issued</i>	June 17, 2009		

Terrorism Provisions

If:

- aggregate insured losses attributable to one or more **certified acts of terrorism** under the **terrorism law** exceed \$100 billion in a Program Year (January 1 through December 31); and
- we have met our insurer deductible under the **terrorism law**.

Terrorism Definitions

Certified act of terrorism means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act:

- A. of terrorism, a violent act or an act that is dangerous to human life, property or infrastructure; and
- B. that results in damage:
1. within the **United States**; or
 2. outside of the **United States** in the case of:
 - a. an air carrier or vessel as described in the **terrorism law**; or
 - b. the premises of a mission of the United States of America,
- which was committed by an individual or individuals as part of an effort to:
- coerce the civilian population; or

Terrorism Definitions

Certified Act Of Terrorism (continued)

- influence the policy or affect the conduct of the Government, of the **United States**.

Certified act of terrorism does not include an act that:

- is committed as part of the course of a war declared by the Congress of the **United States**; or
- does not result in property and casualty insurance losses that exceed \$5 million in the aggregate and are attributable to all types of insurance subject to the **terrorism law**.

State

State means any state of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands, and any territory or possession of the United States of America.

Terrorism Law

Terrorism law means the Terrorism Risk Insurance Act of 2002 (Pub.L.107 -297) as amended by the Terrorism Risk Insurance Extension Act of 2005 (Pub.L.109 -144) and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (Pub.L.110 -160).

United States

United States means:

- a **state**; and
- the territorial sea and the continental shelf of the United States of America, as described in the **terrorism law**.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009





Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010
Effective Date April 1, 2009
Policy Number 9364-02-12 SEA
Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY
Date Issued June 17, 2009

Pollution Incident Discovery And Notification Requirements

Discovery: 7 Calendar Days

Notification: 40 Calendar Days

Pollution Liability Retained Limits

Each **Pollution Incident**: 0

Limits Of Insurance

Pollution Aggregate Limit: 10,000,000

A section titled Coverage/Umbrella Coverage C is added to this contract.

Coverage/ Umbrella Coverage C

Pollution Liability Coverage – Excess Of Retained Limits – Time Element Basis

Subject to all of the terms and conditions applicable to Umbrella Coverage C, we will indemnify the **insured** for **loss** by reason of liability:

- imposed by law; or
- assumed in an **insured contract**;

for **bodily injury, property damage or cleanup** caused by a **pollution incident** to which this coverage applies.

We will only indemnify the **insured** for that part of such **loss** which exceeds the applicable Pollution Liability Retained Limits shown in this Endorsement.

This coverage applies only if such **pollution incident**:

- A. commences on or after the Effective Date shown in this Endorsement and before the end of the policy period; and

Coverage/ Umbrella Coverage C

Pollution Liability Coverage – Excess Of Retained Limits – Time Element Basis (continued)

- B. is first discovered by an **insured** not later than the number of Calendar Days specified in this Endorsement following such commencement and you mail or deliver to us written notice not later than the number of Calendar Days specified in this Endorsement following such discovery. Such notice must be in conformance with the Special Duties In The Event Of **Pollution Incident, Claim Or Pollution Suit** condition of this Endorsement.

As a condition precedent to our obligations under this coverage, the **insured** must strictly conform with all of the requirements specified in subparagraph B. above, regardless of whether we are prejudiced by failure of those requirements to be met.

If we or any insurer affiliated with us issue coverage for more than one policy period, obligations for all **loss** arising out of any one **pollution incident** shall be subject to, and governed by, only the Limits Of Insurance, the Pollution Liability Retained Limits and the other terms and conditions of Umbrella Coverage C, if any, which was effective at the time such **pollution incident** is deemed to have commenced.

This coverage does not apply to any part of:

- A. **loss** within the Pollution Liability Retained Limits;
- B. **loss** to which **underlying insurance** would apply, regardless of whether or not:
 - 1. **underlying insurance** is available; and
 - 2. the applicable **underlying limits** have been exhausted;
- C. **loss** to which **underlying limits** apply; or
- D. any costs or expenses related to **loss** as described in subparagraphs A., B. or C. above.

We have no obligation under this insurance with respect to any loss, cost or expense incurred in excess of the Pollution Liability Retained Limits without our consent.

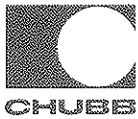
We have no other obligation or liability under this coverage.

Investigation, Defense And Settlements

The section titled Investigation, Defense And Settlements is deleted and replaced by the following.

Subject to all of the terms and conditions of this insurance:

- A. with respect to Excess Follow-Form Coverage A or Umbrella Coverage B:
 - 1. we will have the right and duty to defend the **insured**:
 - a. under Excess Follow-Form Coverage A, against a **suit** in connection with **loss** to which such coverage applies, if the applicable **underlying limits** have been exhausted by payment of judgements, settlements or related costs or expenses (if such costs or expenses reduce such limits); or
 - b. under Umbrella Coverage B, against a **suit** to which such coverage applies, even if such **suit** is false, fraudulent or groundless.
 - 2. we have no duty to defend any person or organization against any claim or **suit**:
 - a. to which this insurance does not apply; or
 - b. if any other insurer has a duty to defend.
 - 3. when we have the duty to defend, we may, at our discretion, investigate any occurrence or offense and settle any claim or **suit**.



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Effective Date April 1, 2009
Policy Number 9364-02-12 SEA

Investigation, Defense And Settlements (continued)

4. our duty to defend any person or organization ends when we have used up the applicable Limit Of Insurance.
- B. with respect to Umbrella Coverage C:
 1. we have no duty to defend any person or organization against any claim or **suit**.
 2. we will not be obligated to investigate any **pollution incident** or assume charge of the investigation, defense or settlement of any claim or **pollution suit**.
 3. you agree, at your own cost and expense, to investigate any **pollution incident** and to investigate, defend, settle or appeal any claim or **pollution suit**.
- C. in all cases we may, at our discretion, participate in the investigation, defense and settlement of any occurrence, offense, claim, **suit** or **pollution suit**.

Retained Limits/ Umbrella Coverage C

A section titled Retained Limits/Umbrella Coverage C is added to this contract.

Subject to all the terms and conditions of this insurance, with respect to Umbrella Coverage C:

- A. the terms and conditions of this insurance, including those with respect to the Special Duties In The Event Of Pollution Incident, Claim Or Pollution Suit, apply regardless of the application of the Pollution Liability Retained Limits.
- B. you agree to pay when due the Pollution Liability Retained Limits shown in this Endorsement.
- C. the Pollution Liability Retained Limits apply separately to each **pollution incident**.
- D. the Pollution Liability Retained Limits apply whether or not the **insured** maintains applicable insurance or other funding mechanisms and whether or not such insurance or funding is collectable.
- E. if the Pollution Liability Retained Limits have been exhausted solely by **loss** payments, this Umbrella Coverage C will apply in excess of the exhausted Pollution Liability Retained Limits. This provision applies only to sums paid for **loss** caused by a **pollution incident** to which this Umbrella Coverage C would otherwise apply, but for the application of the Pollution Liability Retained Limits.
- F. the Pollution Liability Retained Limits will not be reduced or exhausted by any:
 1. defense costs or expenses, including attorney fees, or investigation costs or expenses; or
 2. amounts paid or payable under any other coverage of this policy or under any subsequent renewal, extension or substitution thereof.
- G. we may pay any part of the Pollution Liability Retained Limits to effect settlement. You shall promptly reimburse us for such part of the Pollution Liability Retained Limits and related costs and expenses paid by us. Failure to reimburse us shall cause us to cancel your policy in accordance with the policy's cancellation provision.

**Retained Limits/
Umbrella Coverage C**
(continued)

- H. failure to comply with these provisions will not invalidate this insurance. But in the case of such failure, our obligation or liability will not exceed that which would have applied absent any failure to comply with these provisions.

Under Coverage Territory, the following provision is added.

Coverage Territory

Umbrella Coverage C

With respect to Umbrella Coverage C, this insurance applies anywhere.

**Who Is An Insured/
Umbrella Coverage C**

A section titled Who Is An Insured/Umbrella Coverage C is added to this contract.

Sole Proprietorships

With respect to Coverage C, the following persons and organizations qualify as **insureds**.

If you are an individual, you and your spouse are **insureds**; but you and your spouse are **insureds** only with respect to the conduct of a business of which you are the sole owner.

If you die:

- persons or organizations having proper temporary custody of your property are **insureds**; but they are **insureds** only with respect to the maintenance or use of such property and only for acts until your legal representative has been appointed; and
- your legal representatives are **insureds**; but they are **insureds** only with respect to their duties as your legal representatives. Such legal representatives will assume your rights and duties under this insurance.

**Partnerships Or Joint
Ventures**

If you are a partnership (including a limited liability partnership) or a joint venture, you are an **insured**. Your members, your partners and their spouses are **insureds**; but they are **insureds** only with respect to the conduct of your business.

**Limited Liability
Companies**

If you are a limited liability company, you are an **insured**. Your members and their spouses are **insureds**; but they are **insureds** only with respect to the conduct of your business. Your managers are **insureds**; but they are **insureds** only with respect to their duties as your managers.

Other Organizations

If you are an organization (including a professional corporation) other than a partnership, joint venture or limited liability company, you are an **insured**. Your directors and **officers** are **insureds**; but they are **insureds** only with respect to their duties as your directors or **officers**. Your stockholders and their spouses are **insureds**; but they are **insureds** only with respect to their liability as your stockholders.

Employees

Your **employees** are **insureds**; but they are **insureds** only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Who Is An Insured/ Umbrella Coverage C

(continued)

Real Estate Managers

Persons (other than your **employees**) or organizations while acting as your real estate managers are **insureds**; but they are **insureds** only with respect to their duties as your real estate managers.

Subsidiary Or Newly Acquired Or Formed Organizations

If there is no other insurance available, the following organizations will qualify as a named **insured**:

- a subsidiary organization of the first named **insured** shown in the Declarations of which, at the beginning of the policy period and at the time of loss, such first named **insured** controls, either directly or indirectly, more than fifty (50) percent of the interests entitled to vote generally in the election of the governing body of such organization; or
- a subsidiary organization of the first named **insured** shown in the Declarations that such first named **insured** acquires or forms during the policy period, if at the time of loss such first named **insured** controls, either directly or indirectly, more than fifty (50) percent of the interests entitled to vote generally in the election of the governing body of such organization.

Limitations On Who Is An Insured

With respect to Umbrella Coverage C, the following limitations apply to Who Is An Insured.

- A. Except to the extent provided under the Subsidiary Or Newly Acquired Or Formed Organizations provision above, no person or organization is an **insured** with respect to the conduct of any person or organization that is not shown as a named **insured** in the Declarations.
- B. No person or organization is an **insured** with respect to the:
 1. ownership, maintenance or use of any assets; or
 2. conduct of any person or organization whose assets, business or organization; you acquire, either directly or indirectly, for any **loss** arising out of any **pollution incident** that commenced before you, directly or indirectly, acquired such assets, business or organization.
- C. No person or organization is an **insured** with respect to the conduct of any partnership (including any limited liability partnership), joint venture or limited liability company that is not shown as a named **insured** in the Declarations.

Under Limits Of Insurance, the following provision is added.

Limits Of Insurance

Pollution Aggregate Limit

Subject to the Umbrella Coverages Aggregate Limit, the Products-Completed Operations Aggregate Limit and the Each Occurrence Limit, the Pollution Aggregate Limit shown in this Endorsement is the most we will pay for the sum of **loss** under Umbrella Coverage C.

Exclusions/ Umbrella Coverage C

A section titled Exclusions/Umbrella Coverage C is added to this contract.

Closed Facilities, Alienated Premises, Underground Facilities Or Waste Facilities

In addition to the Policy Exclusions, the following exclusions apply to Umbrella Coverage C.

This insurance does not apply to **bodily injury, property damage or cleanup** arising out of the discharge, release or escape of **pollutants** on, at or from any:

- A. **closed facility;**
- B. premises, site or location any **insured** has sold, given away or abandoned;
- C. **underground facility;** or
- D. **waste facility.**

Subparagraph A. above does not apply to a **pollution incident** that commenced prior to the termination or suspension of the routine and usual conduct of the **insured's** business at such a premises, site or location.

Subparagraph B. above does not apply to a **pollution incident** that commenced prior to the sale, giving away or abandonment of such a premises, site or location.

Subparagraph D. above does not apply to a **pollution incident** that commenced while such a premises, site or location was owned or operated by you.

Damage To Or Cleanup Of Occupied, Owned, Loaned Or Rented Property

This insurance does not apply to **property damage** to or **cleanup** affecting any property, premises, site or location which is or was at any time occupied or owned by, or loaned or rented to, any **insured**.

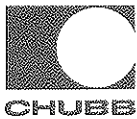
Damage To Or Cleanup Of Property Not Physically Injured Or Contaminated

This insurance does not apply to **property damage** to or **cleanup** affecting property that has not been physically injured or contaminated, arising out of any:

- defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or
- delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms and conditions.

Damage To Or Cleanup Of Property Of Others (Care, Control Or Custody)

This insurance does not apply to **property damage** to or **cleanup** affecting any property in the care, control or custody of any **insured**.



Chubb Commercial Excess And Umbrella Insurance

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Effective Date April 1, 2009
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Exclusions/ Umbrella Coverage C (continued)

Damage To Or Cleanup Of Your Product This insurance does not apply to **property damage** to or **cleanup** affecting **your product** arising out of it or any part of it.

Damage To Or Cleanup Of Your Work Or Related Property This insurance does not apply to **property damage** to or **cleanup** affecting:

- **your work** arising out of it or any part of it;
- that particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the **property damage** or **cleanup** arises out of those operations; or
- that particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it.

Enhancement, Maintenance Or Prevention Expenses This insurance does not apply to any loss, cost or expense incurred by you or others for any:

A. enhancement or maintenance of any property;

B. prevention of any injury or damage to any:

1. person or organization; or
2. property you occupy, own or rent; or

C. **cleanup** in connection with any property or injury or damage described in subparagraphs A. or B. above.

Expected Or Intended Injury, Damage, Or Cleanup This insurance does not apply to **bodily injury, property damage** or **cleanup** arising out of an act that:

- is intended by the **insured**; or
- would be expected from the standpoint of a reasonable person in the circumstances of the **insured**;

to cause **bodily injury, property damage** or **cleanup**, even if the **bodily injury, property damage** or **cleanup** is of a different degree or type than actually intended or expected.

This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or tangible property.

**Exclusions/
Umbrella Coverage C**
(continued)

**Failure To Comply With
Laws**

This insurance does not apply to **bodily injury, property damage or cleanup** arising out of or directly or indirectly attributable to any failure to comply with any governmental law, statute, regulation, ordinance, directive or order, provided that such failure is a willful or deliberate act or omission by or on behalf of the **insured**.

Fines Or Penalties

This insurance does not apply to any criminal, civil or administrative fine or penalty.

**Intellectual Property
Laws Or Rights**

This insurance does not apply to any actual or alleged **bodily injury, property damage or cleanup** arising out of, giving rise to or in any way related to any actual or alleged:

- assertion; or
- infringement or violation;

by any person or organization (including any **insured**) of any **intellectual property law or right**, regardless of whether this insurance would otherwise apply to all or part of any such actual or alleged injury, damage or **cleanup** in the absence of any such actual or alleged assertion, infringement or violation.

Loss In Progress

This insurance does not apply to **bodily injury, property damage or cleanup** that is a change, continuation or resumption of any **bodily injury, property damage or cleanup** known by you, prior to the Effective Date (shown in this Endorsement), to have occurred.

Bodily injury, property damage or cleanup will be deemed to be known by you:

- A. if such injury, damage or **cleanup** is known by, or should have been known from the standpoint of a reasonable person in the circumstances of:
 - 1. you; or
 - 2. any of your directors, managers, members, **officers** (or their designees) or partners (whether or not an **employee**); and
- B. when any person described in subparagraph A. above:
 - 1. reports all, or any part, of such injury, damage or **cleanup** to us or any other insurer;
 - 2. receives a claim or a demand for damages or **cleanup** because of any such injury, damage or **cleanup**; or
 - 3. becomes aware that any such injury, damage or **cleanup** has occurred or has begun to occur.

Prior Incidents

This insurance does not apply to **bodily injury, property damage or cleanup** caused by, contributed to by or related to any discharge, release or escape of **pollutants** that commenced prior to the Effective Date shown in this Endorsement.



Chubb Commercial Excess And Umbrella Insurance

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Exclusions/ Umbrella Coverage C (continued)

Recall Of Products, Work Or Property

This insurance does not apply to any liability or loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- **your product;**
- **your work;** or
- property which incorporates **your product** or **your work;**

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

A section titled Conditions/Umbrella Coverage C is added to this contract.

Conditions/ Umbrella Coverage C

Binding Arbitration

In addition to the Conditions, the following conditions apply to Umbrella Coverage C.

Under Umbrella Coverage C, if we and the **insured** do not agree whether coverage is provided, then either party may make a written demand for arbitration.

When this demand is made, each party will select an arbitrator. The two arbitrators will select a third. If they can not agree within thirty (30) days, either may request that selection be made by a judge of a court having jurisdiction. Each party will:

- pay the costs or expenses it incurs; and
- bear the costs or expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the locale in which the Named **Insured's** Mailing Address shown in the Declarations is located. Arbitration shall be governed by the American Arbitration Association Commercial Arbitration Rules. A decision agreed to by two of the arbitrators will be binding and shall be enforceable in the same manner as a final judgment in any court of competent jurisdiction. The arbitrators shall have no authority to award any punitive, exemplary or extra-contractual damages, costs or expenses.

**Conditions/
Umbrella Coverage C**
(continued)

**Special Duties In The
Event Of Pollution
Incident, Claim Or
Pollution Suit**

In addition to the provisions of the Duties In The Event Of Occurrence, Offense, Claim Or Suit condition of this contract, the following condition applies to Umbrella Coverage C.

However, with respect to Umbrella Coverage C only, provisions E. through H. of the Duties In The Event Of Occurrence, Offense, Claim Or Suit condition of this contract do not apply.

- A. You must mail or deliver to us notice, in writing, of any **pollution incident**. Notice must be provided in accordance with paragraph C. below and shall include:
1. the date and time the **pollution incident** commenced;
 2. the date and time the **pollution incident** was first discovered by an **insured**;
 3. identification of the **insured** who first discovered the **pollution incident**;
 4. where the **pollution incident** took place, including identification of the containers or systems from which the **pollutants** were discharged or released, or escaped;
 5. identification, including the approximate quantity and quality, of the **pollutants** involved;
 6. the cause of the **pollution incident**; and
 7. the nature of any **bodily injury, property damage or cleanup**.

- B. Notice of all **pollution incidents**, claims or **pollution suits** must be mailed or delivered to us, in writing, in care of:

Chubb & Son
A division of Federal Insurance Company
Claim Department
Environmental Claim Manager
15 Mountain View Road
Warren, NJ 07059
U.S.A.

If such notice is mailed:

- it must be mailed via an express mail service which maintains a written register of the date and time mail is deposited with them;
- it shall be deemed to have been mailed to us on the date and at the time shown in the register of such mail service as the date and time you deposited such notice with them for delivery to us; and
- we will only accept a copy of the register prepared, maintained and certified by such mail service as proof of when you mailed such notice to us.

- C. No **insured** will, except at the **insured's** own cost:

- make any admission of liability; or
- incur any cost or expense or make any payment in excess of the Pollution Liability Retained Limits;

without our consent.



Chubb Commercial Excess And Umbrella Insurance

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Effective Date April 1, 2009

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Conditions/ Umbrella Coverage C (continued)

Prevention And Mitigation

The **insured** has the duty to prevent or immediately mitigate any discharge, release or escape of **pollutants**, and any effects thereof, solely at the **insured**'s own cost or expense.

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Chubb Commercial Excess And Umbrella Insurance

Endorsement

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

A section titled Definitions/Umbrella Coverage C, is added to this contract.

Definitions/ Umbrella Coverage C

In addition to the Policy Definitions, the following definitions apply to Umbrella Coverage C.

Bodily Injury

Bodily injury means physical:

- injury;
- sickness; or
- disease;

sustained by a person, including resulting death, humiliation, mental anguish, mental injury or shock at any time.

Cleanup

Cleanup means removal or neutralization of the injurious presence of **pollutants**.

Closed Facility

Closed facility means any premises, site or location at which the routine or usual conduct of the **insured's** business has been terminated or suspended.

Employee

Employee includes a **leased worker**. **Employee** does not include a **temporary worker**.

Insured Contract

Insured contract means a written contract or agreement pertaining to your business in which you assume another person's or organization's:

- tort liability for damages; or
- liability for **cleanup**;

to which this insurance applies, sustained by a third person or organization, provided such liability for damages and **cleanup** are caused by a **pollution incident** that commences after the execution of such contract or agreement.

Intellectual Property Law Or Right

Intellectual property law or right means any:

- certification mark, copyright, patent or trademark (including collective or service marks);
- right to, or judicial or statutory law recognizing an interest in, any trade secret or confidential or proprietary non-personal information;

Definitions/ Umbrella Coverage C

Intellectual Property Law Or Right (continued)

- other right to, or judicial or statutory law recognizing an interest in, any expressions, idea, likeness, name, slogan, style of doing business, symbol, title, trade dress or other intellectual property; or
- other judicial or statutory law concerning piracy, unfair competition or other similar practices.

Leased Worker

Leased worker means a person leased to a party by a labor leasing firm, in a contract or agreement between such party and the labor leasing firm, to perform duties related to the conduct of the party's business. **Leased worker** does not include a **temporary worker**.

Officer

Officer means a person holding any of the officer positions created by an organization's charter, constitution, by-laws or any other similar governing document.

Pollution Incident

Pollution incident means the actual and accidental discharge, release or escape of **pollutants** directly from the container, system or media designed to hold or handle such **pollutants**.

All discharges, releases or escapes, whether continuous, intermittent or repeated, which are related to substantially the same general cause or conditions shall be deemed the same **pollution incident** regardless of the:

- A. number of discharges, releases or escapes;
- B. number or proximity of containers, systems or media from which **pollutants** are discharged or released, or escape;
- C. duration of such discharges, releases or escapes;
- D. period of time during which such discharges, releases or escapes occur; or
- E. size of the space or geographic area in which such discharges, releases or escapes take place.

A **pollution incident** involving more than one discharge, release or escape shall be deemed to commence at the time the first of such discharges, releases or escapes commenced.

Pollution incident does not include any discharge, release or escape in a quantity or with a quality that is routine or usual to:

- maintenance; or
 - the **insured's** business operations.
-



Chubb Commercial Excess And Umbrella Insurance

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Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Definitions/ Umbrella Coverage C (continued)

Pollution Suit

Pollution suit:

- means a civil proceeding in which injuries, damages, costs or expenses, to which this insurance applies, are sought.
- includes an arbitration or other dispute resolution proceeding in which such injuries, damages, costs or expenses are sought and to which the **insured** must submit or does submit with our consent.

Products-Completed Operations Hazard

Products-completed operations hazard:

- A. includes all **bodily injury, property damage and cleanup** taking place away from premises owned or occupied by or loaned or rented to you and arising out of **your product or your work**, except:

1. products that are still in your physical possession; or
2. work that has not yet been completed or abandoned.

Your work will be deemed completed when:

- all of the work called for in your contract or agreement has been completed.
- all of the work to be performed at the site has been completed, if your contract or agreement calls for work at more than one site.
- that part of the work completed at a site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- B. does not include **bodily injury, property damage or cleanup** arising out of:
1. the transportation of property, unless the injury or damage results from a condition in or on a vehicle not owned or operated by or loaned or rented to you and that condition was created by the loading or unloading of that vehicle by any **insured**;
 2. the existence of tools, uninstalled equipment or abandoned or unused materials, or
 3. products or operations for which the classification in our rules indicates that such products or operations are not subject to the Products-Completed Operations Aggregate Limits Of Insurance.

**Definitions/
Umbrella Coverage C**
(continued)

Property Damage

Property damage means:

- physical injury to or contamination of tangible property, including resulting loss of use of that property; or
- loss of use of tangible property that is not physically injured or contaminated, but has been evacuated, withdrawn from use or rendered inaccessible because of a **pollution incident**.

Temporary Worker

Temporary worker means a person who is furnished to a party to substitute for a permanent **employee** on leave to meet seasonal or short-term workload conditions.

Underground Facility

Underground facility means any container or system, including any ducts, pipes or other apparatus used therewith, the volume of which is or was at any time ten (10) percent or more beneath the surface of the ground.

Waste Facility

Waste facility means that particular part of any premises, site or location which is or was at any time licensed, or subject to licensing or reporting requirements, by a governmental authority for the recycling, reconditioning, reclamation, storage, disposal, processing or treatment of waste.

Your Product

Your product:

A. means any:

1. goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a. you;
 - b. others trading under your name; or
 - c. a person or organization whose business or assets you have acquired; and
2. containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

B. includes:

1. representations or warranties made at any time with respect to the durability, fitness, performance, quality or use of **your product**;
 2. the providing of or failure to provide instructions or warnings; and
 3. vending machines or other property loaned or rented to or located for the use of others.
-



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Definitions/ Umbrella Coverage C (continued)

Your Work

Your work:

- A. means any:
1. work or operations performed by:
 - a. you or on your behalf; or
 - b. a person or organization whose assets or business you have acquired; and
 2. materials, parts or equipment furnished in connection with such work or operations.
- B. includes:
1. representations or warranties made at any time with respect to the durability, fitness, performance, quality or use of **your work**; and
 2. the providing of or failure to provide instructions or warnings.

Under Policy Definitions, the definition titled **Loss** is deleted and replaced by the following.

Policy Definitions

Loss

Loss:

- A. means:
1. damages that the **insured** becomes legally obligated to pay because of injury or damage.
 2. with respect to Umbrella Coverage C only, costs or expenses for **cleanup**.
- B. does not include sums properly deducted for recoveries or salvage.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY

Date Issued June 17, 2009

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverage(s) under this contract.

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

Asbestos, Silica Or Similar Compounds, Including Mixed Dust

- A. With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising in whole or in part, out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of:
1. **asbestos;**
 2. **silica;** or
 3. **mixed dust.**
- B. With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising, in whole or in part, out of any:
1. demand, order, request or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess; or
 2. claim or proceeding by or on behalf of a governmental authority or others for any damages, loss, cost or expense because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing:
- the effects of:
- **asbestos;**
 - **silica;** or
 - **mixed dust.**

Under Policy Definitions, the following definitions are added and replace any similar definitions contained therein:

Policy Definitions

Asbestos

Asbestos means asbestos in any form, including its presence or use in any alloy, by-product, compound or other material or **waste**.

Mixed Dust

Mixed dust means any combination or mixture of **asbestos** or **silica** and any other dust, fibers or particles, in any form, including any presence or use in any alloy, by-product, compound or other material or **waste**.

Silica

Silica means silica in any form (including silicates or other similar silicon compounds), including its presence or use in any alloy, by-product, compound or other material or **waste**.

Waste

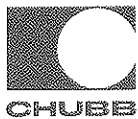
Waste includes material to be recycled, reconditioned or reclaimed.

All other terms and conditions remain unchanged.

Authorized Representative .



June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010
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Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY
Date Issued June 17, 2009

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added.

Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury

Construction Or Development

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury** arising out of any **construction or development**.

This exclusion applies regardless of:

- A. whether such operations or work are or were performed or completed:
1. by you or on your behalf;
 2. for you;
 3. by or for others; or
 4. for sale to others; and
- B. when or where such operations or work are or were performed or completed.

Under Definitions/Umbrella Coverage B, the following definition is added.

Definitions/ Umbrella Coverage B

Construction Or Development

Construction or development means any:

- addition to any building or other structure;
- complete or partial construction or demolition or erection of any building or other structure;
or

**Definitions/
Umbrella Coverage B**

*Construction Or
Development
(continued)*

- planning, site preparation, surveying or other construction or development of real property.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009





Chubb Commercial Excess And Umbrella Insurance

Endorsement

<i>Policy Period</i>	APRIL 01, 2009	to APRIL 01, 2010
<i>Effective Date</i>	April 1, 2009	
<i>Policy Number</i>	9364-02-12 SEA	
<i>Insured</i>	POTLATCH CORPORATION	
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY	
<i>Date Issued</i>	June 17, 2009	

Who Is An Insured

Named Insured

The Named **Insured** shown in the Declarations is completed to read as follows:

Potlatch Corporation
Potlatch Forest Products Corporation
Potlatch Forest Holdings, Inc.
Potlatch Land & Lumber, LLC
PFHI Idaho Investment LLC
Potlatch QRS Wisconsin, LLC
PFPC McCall Investment, LLC
The Prescott and Northern Railroad Company
Duluth & Northeastern Railroad Company
St. Maries River Railroad Company
Warren & Saline River Railroad
Potlatch TRS Idaho, LLC
Potlatch TRS Minnesota, LLC
Potlatch TRS Arkansas, LLC
Potlatch TRS Wisconsin, LLC
Clearwater Commodity Corporation
Potlatch, Inc.
NaturNorth Technologies, LLC
Potlatch Employee Benefits Organization, Inc.
Potlatch Foundation II
Idaho Workers' Compensation Exchange
Potlatch Foundation for Higher Education

All Other Terms and Conditions Remain Unchanged

Named Insured
(continued)

Authorized Representative
June 17, 2009

Robert Hamburger



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 to APRIL 01, 2010
Effective Date April 1, 2009
Policy Number 9364-02-12 SEA
Insured POTLATCH CORPORATION
Name of Company FEDERAL INSURANCE COMPANY
Date Issued June 17, 2009

**Endorsement
Exclusions/
Umbr. Cov. B
Bodily Injury/
Property Damage**

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage, the Following exclusion is added:

Railroad Operations With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of **railroad operations** conducted by or on behalf of the named insured or out of **railroad equipment**

As used in this endorsement, the following words or phrases have the special meanings described below.

Definitions

Railroad Operations **Railroad Operations** means the operations, property owned by or used by, selling and distributing

of transportation, goods and services performed by the **Insured** in the conduct of the Named **Insureds** business as a railroad or railway.

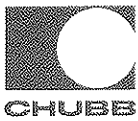
Railroad
Equipment

Railroad Equipment means railroad engines, railroad cars, **mobile equipment** or any **Auto** which is built or modified to be operated on railroad track and is being so used directly in connection with **Insured Railroad Operations**.

All other terms and conditions remain unchanged

Authorized Representative
June 17, 2009





Chubb Commercial Excess And Umbrella Insurance

Endorsement

<i>Policy Period</i>	APRIL 01, 2009	to APRIL 01, 2010
<i>Effective Date</i>	April 1, 2009	
<i>Policy Number</i>	9364-02-12	SEA
<i>Insured</i>	POTLATCH CORPORATION	
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY	
<i>Date Issued</i>	June 17, 2009	

Endorsement
Umb.Cov.C
Pollution Liab.
Ins. Excess of
Ret. Limits

Important Notice

We have added Umbrella Coverage C "Pollution Liability Insurance" Excess Of Retained Limits - Time Element Basis to this contract.

The trigger of coverage under Umbrella Coverage C differs from that which applies to other coverages under this policy. Umbrella Coverage C applies only if a **pollution incident** commences during the policy period and is discovered and reported in strict conformance with all of the time frames and requirements specified under Umbrella Coverage C.

Umbrella Coverage C is written on an indemnity basis. We have the right, but no duty, to participate in the defense of any person or organization under Umbrella Coverage C.

You are responsible for the Pollution Liability Retained Limits as stated in this insurance.

Under Umbrella Coverage C, either the **insured** or we may demand that coverage disagreements be resolved by binding arbitration.

Also, other duties, obligations and terms and conditions under Umbrella Coverage C may be different than those that apply to other coverages under this policy.

Please read the entire policy carefully to determine your rights and duties and what is and what is not covered.

Notice of all **pollution incidents**, claims or **pollutant suits** must be mailed or delivered to us, in writing, in care of:

Chubb & Son
A division of Federal Insurance Company
Claim Department
Employment Practices Section
15 Mountain View Road
Warren, New Jersey 07059
U.S.A.

All other terms and conditions remain unchanged

Authorized Representative
June 17, 2009





Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY

Date Issued June 17, 2009

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

Biological Agents

- A. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged, or threatened contaminative, pathogenic, toxic or other hazardous properties of **biological agents**.
- B. This insurance does not apply to any loss, cost or expense arising out of any:
1. request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of any **biological agents**; or
 2. claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of any **biological agents**.

Under Policy Definitions, the following definition is added:

Policy Definitions

Biological Agents

Biological Agents means any:

- A. 1. bacteria;
2. mildew, mold or other fungi;

Policy Definitions

Biological Agents (continued)

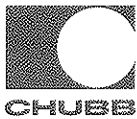
- 3. other microorganisms; or
- 4. mycotoxins, spores or other by-products of any of the foregoing;
- B. viruses or other pathogens (whether or not a microorganism); or
- C. colony or group of any of the foregoing.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009





Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY

Date Issued June 17, 2009

Underlying Insurance

Description: EMPLOYEE BENEFITS LIABILITY

Company: FEDERAL INSURANCE COMPANY

Policy No.: 3584 79 07

Retroactive date: 04/01/1997

Under Coverage/Excess Follow-Form Coverage A, the following provisions are added:

Coverage/ Excess Follow-Form Coverage A

Claims-Made Insurance And Extended Reporting Periods

Provided the applicable **underlying insurance**, described in this Endorsement, is **claims-made insurance**, this coverage applies only if:

- the injury or damage did not occur, or the offense that causes the injury was not first committed, (as applicable) before the Retroactive Date shown in this Endorsement or after the end of the policy period of this insurance; and
- a claim, with respect to such injury or damage, is first made during the policy period of this insurance or any Extended Reporting Period we provide.

When Extended Reporting Periods Apply

Provided the applicable **underlying insurance** provides extended reporting periods, we will provide Extended Reporting Periods as described below.

We will automatically provide a Basic Extended Reporting Period and, if you purchase it, a Supplemental Extended Reporting Period, if:

- A. this insurance is canceled or not renewed; or

**Coverage/
Excess Follow-Form
Coverage A**

*When Extended
Reporting Periods Apply
(continued)*

- B. we renew or replace this insurance with other insurance that:
1. has a retroactive date later than the Retroactive Date shown in this Endorsement; or
 2. is not **claims made insurance**.

*How Extended Reporting
Periods Apply*

Extended Reporting Periods:

- A. apply only to claims with respect to:
1. injury or damage that did not occur; or
 2. injury caused by an offense that was not first committed;
- before the Retroactive Date shown in this Endorsement or after the end of the policy period of this insurance.
- B. do not:
1. extend the policy period or change the scope of coverage provided; or
 2. reinstate or increase the Limits Of Insurance.
- C. may not be canceled once in effect.

*Basic Extended
Reporting Period*

A Basic Extended Reporting Period is automatically provided. This period starts with the end of the policy period of this insurance and lasts for a period no longer than the applicable extended reporting period of the **underlying insurance**:

- for claims made with respect to injury or damage caused by an occurrence or offense reported to us, not later than sixty (60) days after the end of the policy period of this insurance, in accordance with paragraphs A. and B. of the condition titled Duties In the Event Of Occurrence, Offense, Claim Or Suit.
- yet no longer than sixty (60) days with respect to claims resulting from occurrences or offenses not previously reported to us.

Such claims will be deemed to have been made during the policy period of this insurance.

The Basic Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase, or that would be covered, but for exhaustion of the amount of insurance otherwise applicable to such claims.

*Supplemental Extended
Reporting Period*

A Supplemental Extended Reporting Period is available, but only by an endorsement and for an additional premium, subject to the following provisions.

If purchased, this period starts at the later of the end of the policy period of this insurance or the end of the applicable Basic Extended Reporting Period of this insurance and lasts for a period no longer than the applicable extended reporting period of the **underlying insurance**.

Claims first made during this Supplemental Extended Reporting Period will be deemed to have been made during the policy period of this insurance.



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Coverage/ Excess Follow-Form Coverage A

Supplemental Extended Reporting Period (continued)

You must give us a written request to purchase a Supplemental Extended Reporting Period within sixty (60) days after the end of the policy period of this insurance. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium for the Supplemental Extended Reporting Period Endorsement in accordance with our rules and rates.

The Supplemental Extended Reporting Period Endorsement will set forth the terms and conditions, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period. The insurance afforded under the Supplemental Extended Reporting Period Endorsement is excess over any other valid and collectible insurance available under insurance in force after the Supplemental Extended Reporting Period starts.

Coverages/ Umbrella Coverage B Bodily Injury And Property Damage Liability Coverage

Under Coverages/Umbrella Coverage B Bodily Injury And Property Damage Liability Coverage, the following provision is added.

This coverage does not apply to any part of:

- A. **loss** to which **underlying insurance** would have applied but for a limitation in such coverage with respect to the timing of a triggering event; or
- B. any costs or expenses related to **loss** described in subparagraph A. above.

Coverages/ Umbrella Coverage B Advertising Injury And Personal Injury Liability Coverage

Under Coverages/Umbrella Coverage B Advertising Injury And Personal Injury Liability Coverage, the following provision is added:

This coverage does not apply to any part of:

- A. **loss** to which **underlying insurance** would have applied but for a limitation in such coverage with respect to the timing of a triggering event; or
- B. any costs or expenses related to **loss** described in subparagraph A. above.

Under Policy Definitions, the following definition is added.

Policy Definitions

Claims Made

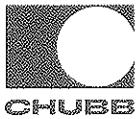
Claims-made insurance means such insurance coverage, the triggering event of which is, based on the timing of a claim first made during the policy period or any extended reporting period.

All other terms and conditions remain unchanged.

Authorized Representative



June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Policy Period APRIL 01, 2009 To APRIL 01, 2010
Effective Date April 1, 2009
Policy Number 9364-02-12 SEA
Insured POTLATCH CORPORATION

Name of Company FEDERAL INSURANCE COMPANY
Date Issued June 17, 2009

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage, the following exclusion is added:

Exclusions/ Umbrella Coverage B Bodily Injury/ Property Damage

Care, Control Or Custody

This insurance does not apply to **property damage** to property described below, if the property is in the care, control or custody of the **insured**.

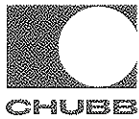
Description of Property:

REAL AND PERSONAL PROPERTY

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

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Policy Period APRIL 01, 2009 To APRIL 01, 2010
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Policy Number 9364-02-12 SEA
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Date Issued June 17, 2009

Under Conditions, the condition titled Cancellation is deleted and replaced by the following:

Conditions

Cancellation

1. Subject to paragraph 2. below, with respect to our right to cancel this insurance for reasons other than nonpayment of premium, the number of days of advance notice of cancellation is changed to the number of days shown below. However, in no event will the number of days of advance notice of cancellation be less than any minimum number of days nor more than any maximum number of days specified by law.
2. Unless prevented by law, the provisions of this Endorsement limit our rights to cancel this insurance. In addition, if other cancellation provisions contained in (including any endorsed on to) this policy further restrict our rights to cancel, such more restrictive provisions will not be superseded by this Endorsement.

Cancellation Notice:

Ninety (90) days.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

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Date Issued June 17, 2009

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added:

***Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury***

Foreign Liability

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury** arising out of an **occurrence** outside the United States of America, its territories or possessions, Canada or Puerto Rico.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

Endorsement

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Name of Company FEDERAL INSURANCE COMPANY
Date Issued June 17, 2009

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the exclusions titled Intellectual Property Laws Or Rights is deleted.

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury**

*Intellectual Property
Laws Or Rights*

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

*Intellectual Property
Laws Or Rights*

This insurance does not apply to any actual or alleged liability or loss, cost or expense arising out of, giving rise to or in any way related to any actual or alleged:

- assertion; or
- infringement or violation

by any person or organization (including any **insured**) or any **intellectual property law or right**, regardless of whether this insurance would otherwise apply to all or part of any such actual or alleged injury or damage in the absence of any such actual or alleged assertion, infringement or violation.

This exclusion applies, unless such injury:

- is caused by an offense described in the definition of **advertising injury**; and

Policy Exclusions

Intellectual Property Laws Or Rights (continued)

- does not arise out of, give rise to or in any way relate to any actual or alleged assertion, infringement or violation of any **intellectual property law or right**, other than one described in the definition of **advertising injury**.

Definitions/ Umbrella Coverage B

Under Definitions/Umbrella Coverage B, the following definitions are deleted:

Advertisement
Advertising Injury
Intellectual Property Law Or Right

Under Policy Definitions, the following definitions are added:

Policy Definitions

Advertisement

Advertisement means an electronic, oral, written or other notice, about goods, products or services, designed for the specific purpose of attracting the general public or a specific market segment to use such goods, products or services.

Advertisement does not include any e-mail address, Internet domain name or other electronic address or metalanguage.

Advertising Injury

Advertising Injury means injury, other than **bodily injury, property damage or personal injury**, sustained by a person or organization and caused by an offense of infringing, in that particular part of your **advertisement** about your goods, products or services, upon their:

- copyrighted **advertisement**; or
- registered collective mark, registered service mark or other registered trademarked name, slogan, symbol or title.

Intellectual Property Law Or Right

Intellectual property law or right means any:

- certification mark, copyright, patent or trademark (including collective or service marks);
- right to, or judicial or statutory law recognizing an interest in, any trade secret or confidential or proprietary non-personal information;
- other right to, or judicial or statutory law recognizing an interest in, any expression, idea, likeness, name, slogan, style of doing business, symbol, title, trade dress or other intellectual property; or



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Effective Date April 1, 2009

Policy Number 9364-02-12 SEA

Policy Definitions

Intellectual Property
Law Or Right
(continued)

- other judicial or statutory law concerning piracy, unfair competition or other similar practices.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

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Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

Lead

This insurance does not apply to any liability or loss, cost or expense arising out of:

- A. the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of **Lead**; or
- B. 1. any request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **Lead**; or
- 2. any claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **Lead**.

Under Policy Definitions, the following Definition is added:

Policy Definitions

Lead

Lead means the element lead in any form, including its use or presence in any alloy, compound, by-product, or other material or waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

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Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added:

Exclusions
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury

Professional Services

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury** arising out of the rendering or failing to render professional service or advice, whether or not that service or advice is ordinary to the **insured's** profession, regardless of whether a claim or **suit** is brought by a client or any other person or organization.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

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Name of Company FEDERAL INSURANCE COMPANY
Date Issued June 17, 2009

Under Exclusions/Excess Follow-Form Coverage A, the exclusion titled Pollution is deleted and replaced with the following:

Exclusions/ Excess Follow-Form Coverage A

Pollution

This insurance does not apply to any liability or loss, cost or expense arising out of:

- A. the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**.
- B. 1. any request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
2. any claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

This exclusion applies regardless of whether or not the pollution was accidental, expected, gradual, intended, preventable or sudden.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009



Chubb Commercial Excess And Umbrella Insurance

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Under Conditions, the following condition is added:

Conditions

Premium Installments

The premium charged in the policy is to be paid in installments in the following manner:

DATE PAYMENT DUE	AMOUNT DUE
04/01/2009	\$ 30,115.00
07/01/2009	\$ 30,114.00
10/01/2009	\$ 30,114.00
01/01/2010	\$ 30,114.00

TOTAL \$ 120,457.00

If the first Named **Insured** fails to pay any installment when it becomes due, as provided above, we may cancel this policy upon notice to the first Named **Insured**, in accordance with the conditions of the policy.

All other terms and conditions remain unchanged.

Authorized Representative
June 17, 2009



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Supplementary Payments is deleted in its entirety and replaced by the following:

Supplementary Payments

Subject to all of the terms and conditions of this insurance, under Excess Follow-Form Coverage A or Umbrella Coverage B:

- A. we will pay, with respect to a claim we investigate or settle, or a **suit** against an **insured** we defend:
1. the expenses we incur.
 2. the cost of:
 - a. bail bonds; or
 - b. bonds required to:
 - (1) appeal judgments; or
 - (2) release attachments;but only for bond amounts within the available Limit Of Insurance. We do not have to furnish these bonds.
 3. reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of such claim or **suit**, including actual loss of earnings up to \$1000 a day because of time off from work.
 4. costs taxed against the **insured** in the **suit**, except any:
 - a. attorney fees or litigation expenses; or
 - b. other loss, cost or expense;in connection with any injunction or other equitable relief.
 5. prejudgment interest awarded against the **insured** on that part of a judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

**Supplementary
Payments**
(continued)

6. interest on the full amount of a judgment that accrues after entry of the judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.
- B. Supplementary Payments does not include any fine or other penalty
- C. under Excess Follow-Form Coverage A, if supplementary payments of the applicable **underlying insurance**:
- reduce the limits of **underlying insurance**, then Supplementary Payments made under this coverage will reduce the Limits Of Insurance of this insurance.
 - do not reduce the limits of **underlying insurance**, then Supplementary Payments made under this coverage will not reduce the Limits Of Insurance of this insurance.
- D. under Umbrella Coverage B, Supplementary Payments will not reduce the Limits Of Insurance.

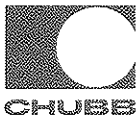
Our obligation to make these payments ends when we have used up the applicable Limit Of Insurance.

All other terms and conditions remain unchanged.

Authorized Representative

June 17, 2009





IMPORTANT NOTICE TO POLICYHOLDERS

TERRORISM RISK INSURANCE ACT

This Important Notice is being provided with your policy to further satisfy the disclosure requirements of the Terrorism Risk Insurance Act.

At the time you received the written offer for this policy, we provided you with an Important Notice to Policyholders indicating that the insurance provided in your policy for losses caused by certain acts of terrorism (as defined in the Terrorism Risk Insurance Act) would be partially reimbursed by the United States of America, pursuant to the formula set forth in the Terrorism Risk Insurance Act. In addition, as required by the Terrorism Risk Insurance Act, we:

- indicated that we would make available insurance for such losses in the same manner as we provide insurance for other types of losses;
- specified the premium we would charge, if any, for providing such insurance; and
- except to the extent prohibited by law, gave you the opportunity to reject such insurance and have a terrorism exclusion, sublimit or other limitation included in your policy.

This Important Notice refers back to that Important Notice and provides information about your decision and the manner in which your policy has been subsequently modified.

If:

- You rejected terrorism insurance under the Terrorism Risk Insurance Act, your policy includes the appropriate amendatory endorsement(s).
- You did not reject terrorism insurance under the Terrorism Risk Insurance Act, the premium charged for your policy, including that portion applicable to terrorism insurance under the Terrorism Risk Insurance Act, is shown in your policy. To the extent your policy includes a limitation on terrorism insurance, it has been modified so that such limitation does not apply to terrorism insurance under the Terrorism Risk Insurance Act.

Please carefully review your policy and the Important Notice previously provided to you for further details. Please remember that only the terms of your policy establish the scope of your insurance protection.

Please note that if your policy:

- *provides commercial property insurance in a jurisdiction that has a statutory standard fire policy, the premium we charge for terrorism insurance under the Terrorism Risk Insurance Act, includes an amount attributable to the insurance provided pursuant to that standard fire policy. Rejection of such statutory insurance is legally prohibited.*
- *is a workers compensation policy, rejection of insurance for terrorism is legally prohibited.*

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.



IMPORTANT NOTICE TO POLICYHOLDERS

This Important Notice is not your policy. Please read your policy carefully to determine your rights, duties, and what is and what is not covered. Only the provisions of your policy determine the scope of your insurance protection.

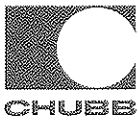
THIS IMPORTANT NOTICE PROVIDES INFORMATION CONCERNING POSSIBLE IMPACT ON YOUR INSURANCE COVERAGE DUE TO COMPLIANCE WITH APPLICABLE TRADE SANCTION LAWS.

PLEASE READ THIS NOTICE CAREFULLY.

Various trade or economic sanctions and other laws or regulations prohibit us from providing insurance in certain circumstances. For example, the United States Treasury Department's Office of Foreign Asset Control (OFAC) administers and enforces economic and trade sanctions and places restrictions on transactions with foreign agents, front organizations, terrorists, terrorists organizations, and narcotic traffickers. OFAC acts pursuant to Executive Orders of the President of the United States and specific legislation, to impose controls on transactions and freeze foreign assets under United States jurisdiction. (To learn more about OFAC, please refer to the United States Treasury's web site at <http://www.treas.gov/ofac>.)

To the extent that you or any other insured, or any person or entity claiming the benefits of this insurance has violated any applicable sanction laws, this insurance will not apply.

We have added a condition or section that applies to the entire policy called Compliance With Applicable Trade Sanctions, which stipulates that your insurance policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.



POLICYHOLDER NOTICE

All of the members of the Chubb Group of Insurance companies doing business in the United States (hereinafter "Chubb") distribute their products through licensed insurance brokers and agents ("producers"). Detailed information regarding the types of compensation paid by Chubb to producers on US insurance transactions is available under the Producer Compensation link located at the bottom of the page at www.chubb.com, or by calling 1-866-588-9478. Additional information may be available from your producer.

Thank you for choosing Chubb.